

**GOVERNMENT THAT WORKS!**  
**NEW JERSEY DEPARTMENT OF THE TREASURY**  
**LOCAL GOVERNMENT BUDGET REVIEW**  
**TOWNSHIP OF MONTVILLE**

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**LOCAL GOVERNMENT BUDGET REVIEW  
EXECUTIVE SUMMARY  
MONTVILLE TOWNSHIP**

**A. Personnel**

A reduction in the vacation leave benefit to coincide with Civil Service guidelines would result in a productivity enhancement of approximately \$55,669.

A reduction in sick leave usage in two departments, alone, could result in a productivity enhancement of approximately \$15,509.

The township's implementation of a more restrictive terminal leave benefit could result in an estimated savings of \$617,548, based on the total current liability.

Termination of the longevity benefit for police department employees would result in a savings of \$70,735.

The township could realize a savings of approximately \$33,375 by implementing a co-pay requirement for health benefits.

Eliminating the provision of health benefits for those not working on a full-time basis would result in a savings of \$63,607.

**B. Management Information Systems**

A variety of improvements to the management information systems throughout all departments could result in additional costs totaling approximately \$51,050.

**C. Insurance**

The township could save at least \$330 if it eliminates the payment of a salary supplement to those employees on workers' compensation leave.

**D. Finance**

If township officials were a little less conservative in their estimation of current and delinquent tax collections, an additional \$479,669 would be available for tax relief.

The sale of township-owned land not apparently needed for township operations could yield an estimated \$200,000 in revenue.

Improved investment practices could result in approximately \$69,300 in additional revenue for the township.

The team's recommendation of a revaluation would cost approximately \$300,000.

**E. Health**

Estimated additional revenue of \$1,059 could be realized by an increase in health department fees.

The use of volunteers for secretarial support for the Dial-A-Ride program could result in enhanced productivity valued at \$4,556 in 1995.

**F. Library**

The team estimates that \$8,549 could be saved by merging the library's payroll function and health benefit coverage with the township.

**G. Inspections**

Approximately \$13,893 could be saved by reducing the fire subcode staffing level.

The addition of a .5 FTE clerical position and the reassignment of tasks to this position could result in a productivity enhancement valued at \$22,410. This additional clerical assistance for the control function would cost approximately \$13,000.

#### **H. Land Use**

A productivity enhancement valued at \$11,577 could be realized through the reassignment of tasks now handled by the Land Use Administrator. Additionally, the team estimates that for a cost of approximately \$13,000, which would be somewhat offset by the \$5,000 value of the productivity enhancement for the current secretary, the Land Use Department could obtain adequate clerical assistance.

Approximately \$1,542 in productivity enhancement value could be gained by reducing the staff time required for duplicate record keeping activities in the planning function.

An increase in fines for zoning violations could result in additional revenue of approximately \$1,000. A productivity enhancement valued at \$1,700 could be realized through the addition of clerical help.

#### **I. Police**

The team recommends that the dispatch function be staffed by civilian dispatchers instead of uniformed, sworn officers, which will result in additional costs of approximately \$93,351. The township could, however, with this additional staff, contract to provide dispatch services to two neighboring communities for approximately \$128,428 in additional revenue.

A stricter collection policy and possible late charge for unpaid bills for fire alarm calls could result in approximately \$10,000 in additional revenue.

A reduction in the overtime incurred due to required court appearances could result in approximately \$10,000 in savings.

#### **J. Engineering**

The team suggests that additional part-time help estimated to cost \$16,000 will be required if the township decides to maintain its consultant engineer arrangement.

#### **K. Public Works**

The team's recommendation that the township hire a certified, qualified manager for this department would cost an estimated \$65,000 in salary and wages and benefits.

A variety of changes to and/or reorganized activities in the Department of Public Works could result in a total savings of approximately \$704,527.

#### **L. Welfare**

A transfer of PATF 1 account funds to the general fund would result in \$30,000 in funds for general municipal purposes.

**COMPARISON OF BUDGET APPROPRIATIONS, STATE AID, AND LOCAL  
TAX RATE WITH RECOMMENDED REDUCTIONS IN THE  
TOWNSHIP OF MONTVILLE**

<b>A. Personnel</b>		<b>\$856,443.00</b>
Productivity Enhancement through	\$55,669.00	
Vacation Time Decrease		
Reduction in Sick Leave	\$15,509.00	
Reduction in Terminal Leave Payouts	\$617,548.00	
Elimination of Longevity	\$70,735.00	
Health Benefit Co-Pay	\$33,375.00	
Reduction in Health Benefits for Part-Time	\$63,607.00	
<b>B. Management Information Systems</b>		<b>\$(51,050.00)</b>
Enhanced LAN Administration	\$(30,000.00)	
Computer Training	\$(16,000.00)	
Purchase Check Reconciliation Software	\$(50.00)	
Automate Vehicle and DPW Records	\$(5,000.00)	
<b>C. Insurance</b>		<b>\$330.00</b>
Eliminate Workers' Compensation	\$330.00	
Supplement		
<b>D. Finance</b>		<b>\$448,969.00</b>
* Accurate Estimation of Collection Rate	\$350,780.00	
* Accurate Estimation of Delinquent	\$128,889.00	
Collection Rate		
Sale of Township-Owned Land	\$200,000.00	
Increased Investment Income	\$69,300.00	
Revaluation	\$(300,000.00)	
<b>E. Health</b>		<b>\$5,615.00</b>
Increased Fees	\$1,059.00	
Use of Volunteers for Dial-A-Ride	\$4,556.00	
<b>F. Library</b>		<b>\$8,549.00</b>
Payroll Merged with Township's	\$2,030.00	
Health Benefit Co-Pay	\$6,519.00	
<b>G. Inspections</b>		<b>\$49,303.00</b>
Reduction in Fire Subcode	\$13,893.00	
Productivity Enhancement - Staff Realignments	\$22,410.00	
Additional Clerical Position	\$13,000.00	
<b>H. Land Use</b>		<b>\$7,819.00</b>

Productivity Enhancement Due to Task Reassignment (Land Use Admin.)	\$11,577.00	
Additional Clerical Position	\$(13,000.00)	
Productivity Enhancement Due to Task Reassignment (Land Use Secretary)	\$5,000.00	
Productivity Enhancement Due to Reduction of Duplicate Efforts (Land Use Secretary)	\$1,542.00	
Increased Fines for Zoning Violations	\$1,000.00	
Productivity Enhancement Due to Task Reassignment (Zoning Officer)	\$1,700.00	
<b>I. Police</b>		<b>\$55,077.00</b>
Revenue from Dispatch Contract	\$128,428.00	
Additional Dispatcher Positions	\$(93,351.00)	
Increase Fines for False Alarms	\$10,000.00	
Reduction in Court Overtime	\$10,000.00	
<b>J. Engineering</b>		<b>\$(16,000.00)</b>
Additional Technical/Secretarial Position	\$(16,000.00)	
<b>K. Public Works</b>		<b>\$639,527.00</b>
Hiring of Certified Manager	\$(65,000.00)	
Competitively Contract Street Sweeping	\$11,200.00	
Institution of Leaf Pick-up Fee	\$25,713.00	
Reduction in Bulk Pick-up Service	\$31,404.00	
Re-organized Recycling Schedule	\$78,453.00	
Reduction in Recycling Pick-up Service	\$52,300.00	
* Purchase of Additional Recycling Truck	\$(60,000.00)	
Increase in Recycling Rate	\$453,435.00	
Increased Sale of Recyclables	\$78,000.00	
Solid Waste Productivity Enhancement if Contracted by Municipality	\$34,022.00	
<b>L. Welfare</b>		<b>\$30,000.00</b>
* Transfer PATF 1 Money to General Fund	\$30,000.00	
* Denotes one-time revenue or expense		
<b>TOTAL</b>		<b>\$2,034,582.00</b>
<b>Total Amount to be Raised for Municipal Tax Savings as a % of Municipal Tax</b>		<b>\$4,829,640.00</b> <b>42%</b>
<b>Total Budget (1995)</b>		<b>\$9,486,463.00</b>
<b>Savings as a % of Budget</b>		<b>21%</b>

**Total State Aid (1995)**

**\$2,823,952.00**

**Savings as a % of State Aid**

**72%**





## **GOVERNMENT THAT WORKS**

### **OPPORTUNITIES FOR CHANGE**

#### ***The Report of the Township of Montville Budget Review Team***

New Jerseyans deserve the best government that their tax dollars can buy. Governor Christie Whitman is committed to making State government leaner, smarter, and more responsive, by bringing a common sense approach to the way government does business. It means taxpayers should get a dollar's worth of service for every dollar they send to government, whether it goes to Trenton, their local town hall or school board.

Government on all levels must stop thinking that more money is the solution to their problems, and start examining how they spend the money they have now. The State's taxpayers cannot afford to keep sending money to their government. It is time for government to do something different.

There is no doubt that local government costs -- and the property taxes that pay for them--have been rising steadily over the last decade. Until now, the State has never worked with towns to examine what is behind those rising costs. That is why the Local Government Budget Review Program was created by Governor Whitman and State Treasurer Brian W. Clymer. Its mission is simple: to help local governments find savings, without compromising the delivery of services to the public.

The Local Government Budget Review Program fulfills a promise Governor Whitman made in her first budget address, when she offered the State's help to local governments looking to cut costs. This innovative approach combines the expertise of professionals from the Departments of Treasury, Community Affairs and Education, with team leaders who are experienced local government managers. In effect, it gives local governments a management review and consulting service provided to them at no cost by the state.

To find those "cost drivers" in local government, the teams will review all aspects of the local government operation, looking for ways to improve efficiency and reduce costs. The teams will also document those State regulations or legislative mandates which place an unnecessary burden on local governments, and suggest which ones should be modified or eliminated. Finally, the teams will note where local governments are utilizing "Best Practices" -- innovative ideas that deserve recognition and that other municipalities may want to emulate.

This intensive review and dialogue between local officials and the review team is designed to produce significant insight into what factors are driving the costs of local governments, and provide the necessary tools to bring meaningful property tax relief to the State.

## **THE REVIEW PROCESS**

In order for a town, county or school district to participate in the Local Government Budget Review program, a majority of the elected officials must request the help of the Review Team through a resolution. There is a practical reason for this: to participate, the governing body must agree to make all personnel and records available to the Review Team, and agree to an open public presentation and discussion of the Review Team's findings and recommendations.

As part of the review of the Township of Montville, team members interviewed each elected official, as well as employees, appointees, members of the public, and contractors. The Review Team examined current collective bargaining agreements, audit reports, public offering statements, annual financial statements, the municipal code and independent reports and recommendations previously developed for the community. The Review Team physically visited and observed the work procedures and operations throughout the municipal government to observe employees in the performance of their duties.

In general, the Review Team received the full cooperation and assistance of all employees and elected officials. That cooperation and assistance was testament to the willingness on the part of most to embrace recommendations for change. Those officials and employees who remain skeptical of the need for change or improvement will present a significant challenge for those committed to embracing the recommendations outlined in this report.

Where possible, the potential financial impact of an issue or recommendation is provided in this report. The recommendations do not all have a direct or immediate impact on the budget or the tax rate. In particular, the productivity enhancement values identified in this report do not necessarily reflect actual cash dollars to the municipality, but do represent the cost of the community's current operations and an opportunity to define the value of improving upon such operations. The estimates have been developed in an effort to provide the community an indication of the potential magnitude of each issue and the savings, productivity enhancement, or cost to the community. We recognize that all of these recommendations cannot be accomplished immediately and that some of the savings will occur only in the first year. Many of these suggestions will require negotiations through the collective bargaining process. We believe that these estimates are conservative and achievable.

## **INTRODUCTION**

The Township of Montville is located in north-central Morris County some 30 miles west of New York City. It is 18.85 square miles with an estimated population of 18,500. It is a suburban community surrounded by six municipalities and traversed by four major highways - Routes 80, 202, 287 and 46. The median family income is approximately \$78,500 and per capita income is \$29,785, based on 1990 census information. Almost 80% of the tax base is residential and 15% is vacant land.

According to the 1990 census, the racial make-up of the community was 90.4% White, 8.1% Asian/Pacific Islander, 1.1% Black and less than 1% other races. The most rapidly growing populations are the Chinese and Asian Indian cultures. The majority of adults are employed in managerial, professional and technical fields.

Montville is governed by a five member Township Committee established under a Special Charter in 1974. Township Committee members are elected at large for three year terms. The Township Administrator serves as the Chief Executive Officer of the community and is responsible for supervision of all municipal employees and operations. There are seven departments recognized under the Administrative Code: Engineering, Finance, Health, Inspections, Parks and Recreation, Police, and Public Works. Approximately 110 employees are involved in daily municipal operations. Water and sewer service are provided by an autonomous Municipal Utility Authority.

The community has experienced considerable growth in the last ten years, increasing tax lines by approximately 56%, yet it has still largely maintained its suburban character and has been very successful in acquiring natural lands through its open space conservation efforts. To support these efforts, the township instituted an open space preservation tax of \$.02. It is estimated by township officials that the current high rate of development will begin to subside within approximately three years and that development after that will be much more manageable. Until that time, however, the township will be faced with considerable demands on its resources related to development activities and after that time, on its resources related to specific service delivery.

Based on our observation and review, the review team believes the Township of Montville is well managed and staffed largely by competent, hard working individuals who will be capable of seeing the community through this tremendously demanding period of growth and will be more than able to meet the resulting service demands that will be carried into the future.

## **BEST PRACTICES**

A very important part of the Local Government Budget Review report is the Best Practices section. During the course of every review, each review team identifies procedures, programs and practices which are noteworthy and deserving of recognition. Best practices are presented to encourage replication in communities and schools throughout the state. By implementing these practices, municipalities and school districts can benefit from the Local Government Budget Review process and possibly save considerable expense on their own.

Just as we are not able to identify every area of potential cost savings, the review team cannot site every area of effective effort. The following are those best practices recognized by the team for their cost and/or service delivery effectiveness.

### **Professional Management**

Through its Charter, Administrative Code and historical practice, the Township of Montville has expressed and acted upon strong support for professional management. This is evidenced by the employment of, and vested authority and responsibility in, the Township Administrator, as well as the employment of an Assistant Township Administrator. This practice allows for the professional administration of the daily affairs of local government and allows the elected officials to focus primarily on policy decisions. When adequately followed, this also provides a direct line of authority for employees and eliminates the confusion and inefficiencies associated with employees answering to too many “bosses.”

### **Youth Services**

The Youth Services Bureau, which operates out of the Department of Health, offers a significant number and variety of services and programs aimed at providing substance abuse prevention programs and social and educational opportunities for township youth. It provides these services at very little cost to the taxpayer. The operations of the Bureau are detailed in the applicable section of this report.

### **Sewer Insert Project**

In checking the flow data to the sewage treatment plant, the authority noticed that there is an inflow and infiltration problem to the sanitary sewer system during rain storms. It estimates that a minimum of 1,000,000 extra gallons of water gets into the sanitary sewer system through the approximately 1,800 township manholes during a heavy rain storm. This rain water should be going into the storm sewer system and be released into area streams and creeks. As a result, the M.U.A. is about to undergo a three year program of installing guards on each manhole in the township to deflect the water from the manholes to the storm sewers. The capital outlay for these guards is projected to cost \$63,000. The savings to the M.U.A., however, are quite substantial. For each 1,000,000 gallons of excess flow that gets into the sanitary sewer system, there is a excess treatment cost of approximately \$1,500. The M.U.A. projects that with approximately 30 significant rain storms throughout each year, approximately 30,000,000 gallons of excess flow is treated unnecessarily. If this situation were remedied through the manhole guards, the savings in decreased treatment costs could be

approximately \$45,000 per year. After the proposed three year program is completed, the capital outlay will be approximately \$63,000 and the savings in unnecessary treatment over the course of the phased in three year improvement project will be approximately \$90,000. This represents a net savings of approximately \$27,000 over three years, however, each additional year would result in a savings of approximately \$45,000 per year.

### **EMS Coordination**

A practice that should be emulated by other entities is the communication between the M.U.A. and the township's emergency services officials. The M.U.A. meets every week with the Police, Fire, and EMS departments to discuss any construction work that the M.U.A. might be doing, so emergency services officials can be aware of it and have an opportunity to create an alternate plan. For example, a fire district will place a fire truck behind construction so that the fire company can report to calls beyond the construction site. The M.U.A. and emergency services officials should be commended for their proactive approach to ensuring the safety of Montville's residents.

### **Use of Community Service Workers**

Finally, the M.U.A. needs to be commended for its use of community service workers to minimize the cost of providing service to the residents. The M.U.A. uses these workers to do various types of work for the authority, including painting fire hydrants, construction and demolition work for both the M.U.A. and the township, and landscaping. In one recent instance, the M.U.A. had a community service worker with three years of service, so that person did all of the M.U.A.'s landscaping for three years.

### **Court Programs**

As described in the Court section of this report, the team has identified a number of programs developed or implemented by the judge that are beneficial to the community and specifically to township operations. We commend the judge for these activities.

## **OPPORTUNITIES FOR CHANGE/RECOMMENDATIONS**

The purpose of this section of the report is to identify opportunities for change and to make recommendations that will result in more efficient operations and financial savings or enhancements for the municipality and its taxpayers.

### **TOWNSHIP COMMITTEE**

There are five members of the Township Committee, each elected for three year terms. The Mayor is chosen each year by the members of the Township Committee. Meetings are held twice per month and include both agenda and executive session matters.

### **ADMINISTRATION**

#### **Staffing**

As per the Special Charter adopted for Montville Township, there is a Township Administrator who serves as the Chief Executive Officer of the municipality. He is charged with the proper administration of all affairs of the township and with carrying out all policies established by the Township Committee. Directly reporting to the Administrator are department heads, the Assistant Administrator, an administrative secretary, and the Receptionist.

The Assistant Administrator is mainly responsible for insurance, recycling, computerization and newsletter matters for the township. He also assists the Administrator with a variety of special projects and research issues.

The Administrative Secretary is responsible for phone calls, setting up meetings, keeping attendance for the department, correspondence, filing, New Jersey Department of Personnel employee registrations, and a variety of special research tasks.

The Receptionist's main responsibilities include switchboard coverage and acting as the initial information source for inquiries regarding township affairs. She is also involved in a variety of tasks, such as typing and stuffing envelopes, proof reading, issuance of forms for certain permits or applications, mail distribution and miscellaneous other projects. Departments other than Administration are free to seek out the Receptionist's assistance.

**The review team is extremely supportive of the strong emphasis in Montville Township on professional administration of the daily affairs of municipal government. Particularly within the last two years, the team has seen evidence of a number of positive changes in policies, procedures and practices that have been instituted by the Township Administrator and we commend those efforts. We urge the township to continue its full support of the professional management of municipal operations.**

**We are also supportive of the effective use of the Receptionist position to handle a variety of tasks while maintaining switchboard coverage. We caution the township, however, to require that all requests for the Receptionist's time be approved by the Administrator's Department so that workload can be effectively monitored and managed.**

## **PERSONNEL**

Montville has attempted through personnel policies to contain costs by limiting sick time payout at retirement as well as containing costs of medical care through the use of a managed care program. Both of these steps are considered good practices by the review team. There are several personnel practices and policies, however, that can be improved upon in the opinion of the team. They include vacation leave, sick leave and associated payouts, longevity, and health care. The team acknowledges the fact that most of these recommended changes will require negotiation with the police union through the collective bargaining process and may, therefore, take considerable effort and time to implement.

### **Personnel Policy Manual**

The personnel policy manual has historically not been maintained or updated regularly.

**The team recommends that the manual be updated to reflect current law and township policies and that it be maintained on computer.**

### **Vacation**

Montville has a liberal vacation allotment when compared to the State's Civil Service regulations regarding vacation time for local government employees. If all personnel were to receive vacation benefits according to the guidelines of the state's regulations, versus current township ordinance, the township would enhance productivity by approximately \$55,669, or 289 staff days per year. The largest productivity enhancement would be seen in the Police Department through an additional 178 staff days valued at \$39,544. This change would have to be secured through the collective bargaining process and, therefore, may take some time to implement. However, the Team believes the change would allow for the provision of a fair benefit, while significantly improving productivity for the taxpayers.

**We suggest that the township make every effort to equate this benefit to the level identified in the State's Civil Service regulations.**

**Cost Savings - \$55,669**

### **Sick Leave**

An examination of average sick time used by department reveals that both the Health Department and Public Works Department utilized over 14 days on average in 1995, while the amount used by other departments was under nine days. A reduction in sick time usage by five days in each of these two departments would result in an estimated productivity enhancement of \$6,930 and of \$8,579, respectively.

**We suggest the township implement the practice of reviewing the use of sick time for all employees and develop and enforce a policy that would address sick leave abuse. Reduction of sick time use in just the health and public works' departments could result in a productivity enhancement of \$15,509.**

**Cost Savings-\$15,509**

#### **Terminal Leave**

A terminal leave cap was instituted in 1993 with a payment of 75% of the value of sick time accumulated up to a maximum of either \$15,000 or \$20,000 depending on the category of employee. Some of the employees granted exceptions retired in 1995. The township has already saved an estimated \$230,663 through the implementation of this cap.

Our review has revealed that several employees who retired in 1995 used extended amounts of sick time. One case was reportedly a chronic illness instance, while another was not identified as such. The cost of allowing employees to exhaust their sick time prior to retirement instead of being subject to the cap is quite high. In fact, the potential liability for sick time payouts for all applicable employees under this scenario is over \$1,500,000.

**We suggest the township could further reduce its total potential liability by an additional savings of \$617,548 if it reduces the payment to 50% of the sick time per diem rate and caps everyone at \$15,000. The potential savings in the Police Department, alone, using these standards is \$524,721 of that additional \$617,548 total.**

**Cost Savings- \$617,548**

**The team recommends consideration of a sick leave "bank" if permitted by Civil Service regulation at some future point in time, as discussed in the Statutory and Regulatory Reform section of this report.**

**The team strongly recommends that the township adhere to its terminal leave cap on a consistent basis and not allow employees to receive 100% of pay while they exhaust their sick leave.**

#### **Longevity**

The only department that currently receives a longevity benefit is the Police Department. It is provided for through a percentage formula on base salary and amounts to \$70,735 annually at current rates. This is a benefit that increases incrementally based on years of service. The Local Government Budget Review program is philosophically opposed to additional compensation based solely on length of employment with no credible tie to performance.

**Though we commend the township for not extending this longevity benefit to all employees, we suggest that it be eliminated entirely. However, should the township continue to provide this benefit to the police unions, we recommend that consideration be given to the manner in which longevity payments are calculated. The preferable method is a flat dollar amount, instead of a percentage, in a lump sum payment once**



**per year, instead of as an addition to salary. These changes would reduce cost by reducing the compounding of percentage increases and pension and overtime costs tied to salaries that now include longevity amounts.**

**Cost Savings- \$70,735**

### **Health Benefits**

Health benefit costs had been stable for the past several years until 1996 when there was a 9% increase in the traditional plan premium, while the managed care option costs remained constant. An employee co-pay of premiums equivalent to the difference between the preferred provider option and the traditional health care model could result in cost savings of \$33,375 based on 1995 rates and \$56,225 based on 1996 rates.

The review team noted that benefits are being provided to Township Committee members at a cost to the township of \$18,259 per year. The township also provides full health benefits to almost all permanent part-time employees. In 1995, there were seven employees who had schedules ranging from 15 - 30 hours per week and received benefits. If the policy provided for health benefits only for employees working at least 35 hours per week, the savings would be \$45,348.

The team identified several instances of employees who were married with both husband and wife enrolled for duplicate and identical coverage. This resulted in duplicate payments of approximately \$14,075. The administration indicated that it had attempted to get these individuals to drop their coverage "for the good of the township," yet they refused, looking for a payout. In addition to the revenue that could be generated through a premium co-pay based on the difference in cost of the traditional plan, a further premium co-pay of 5 - 15% for all coverages could yield additional revenue of between \$31,100 and \$93,292. Premium co-pays not only benefit the municipality in terms of the cost avoided, but also in terms of the incentive that is created to drop duplicative coverage.

**We recommend that the township consider implementing a co-pay arrangement for employees in the traditional plan.**

**Cost Savings - at least \$33,375**

**Further, we suggest that the township consider a co-pay arrangement of between 5 - 15% for all coverages.**

**Revenue Enhancement: at least \$31,100**

**We strongly recommend that the township reconsider the provision of health and dental benefits to all part-time employees, but particularly those who are capable of securing health benefits through other sources or employers and, therefore, reserve this costly benefit for those who work for the township on a recognized full-time basis. As an alternative, however, the township may wish to continue providing benefits to part-time employees, but at a reduced rate, such as for employees only.**

**Cost Savings: \$63,607**

## **Civil Service**

The New Jersey Department of Personnel is currently resolving some issues within the township which could impact on its employees and the costs associated with certain benefits. Civil Service rules and regulations mandate a specified pro-rated amount of sick leave and vacation leave for career service employees. An issue had arisen regarding this benefit and its potential cost to the taxpayers, especially as it applies to approximately ten school traffic guards. A clarification of this rule indicates that the school traffic guards are actually not subject to Civil Service regulations and are, therefore, not under the same minimum benefit requirements that those under those regulations would receive. N.J.S.A. 40A:9-154.1, adopted in 1979 and amended in 1981, essentially removed school traffic guards from Civil Service protection by establishing appointments and terms as affixed by the governing body. As a result, guards appointed after this date do not enjoy Civil Service protection nor are they necessarily subject to the same benefits with regard to sick and vacation time.

Other issues involving the Department of Personnel included an enforcement matter related to the Land Use Department, several long term provisionals, the structure of departments as established by the Administrative Code, and some areas involving police organization and future developments.

Specifically, there is a Planning title currently under review by the Department of Personnel with the potential for active certifications and lists. This matter is currently pending before the Merit System Board.

The issue of long term provisionals, training, lists, and veteran's status were all discussed during the course of our review. Presently, the Department of Personnel has developed a number of "pilot" programs that should reduce the numbers of provisionals and shorten the span needed for testing. In some instances, efforts are being made to issue specific lists for current needs on an as needed basis.

Some of the departments recently created or restructured within Montville's Administrative Code have been realigned with Department of Personnel input and are now properly structured within the Civil Service system.

Generally, issues of lists, Civil Service compliance, and miscellaneous questions regarding the Civil Service impact on employees and township operations are reviewed and successfully resolved through the Township Administrator's Department. A rather harmonious relationship has existed between Montville and the Department of Personnel over the last couple of years. Plans to introduce computer liaisons, who will provide special technical training for direct hookup to D.O.P. computers, over the next few months should only enhance the working relationship.

**We suggest that the township review the benefits provided to school crossing guards in light of the fact that it is not required to provide them with the minimum benefits as defined by Civil Service.**

**We commend the township for its cooperative and successful efforts in working with the New Jersey Department of Personnel to resolve outstanding issues.**

## **MANAGEMENT INFORMATION SYSTEMS**

### **Information Management Plan**

Montville committed to the use of computer technology when it moved into the new municipal building in 1994. The building was wired appropriately for computers and the purchase of computers was part of the capital plan for the building. In spite of these good initial intentions, and with the exception of the Finance Department, the use of computers is actually fragmented and accomplished without adequate training or technical support.

**We suggest that the township develop an information management plan that is updated periodically in order to maximize effective and efficient use of computer resources. The plan should be formulated by a thoroughly representative cross section of departments and functions in order to develop a comprehensive framework for meeting and coordinating the needs of the various functions. It should then be presented to the Township Committee for information and consensus. In a township growing as rapidly and one as committed to conserving financial resources as Montville, addressing the information needs of the municipal operation is as important an issue as finance and personnel. Specifically, the plan should:**

- **inventory and assess current hardware, software and computer literacy in each department;**
- **specify the needs of the respective departments;**
- **prioritize the plan in terms of immediate needs, medium term needs, and long term needs;**
- **identify and prioritize points of coordination and communication;**
- **estimate the costs of meeting those needs; and**
- **explore avenues of meeting those needs in general terms.**

### **Departmental Impact**

Improved use of technology can make the biggest impact in the Clerk's Office, Finance Department and Zoning Office, though all other departments could benefit as well.

The Clerk's Office is still using typewriters for all document development. All changes/corrections to minutes, agendas and other office documents are done on a typewriter. Needless to say, this is a very outmoded method in this era of high speed communication and computerization. The Codebook was previously codified by an outside vendor, but is now intended to be done in-house by the Assistant Township Administrator using new software.

The Finance Department already utilizes a very effective automation system, however, opportunities for improvement include:

- **adding electronic requisitioning and approval to the existing purchase order process, which will improve turnaround and establish a standard requisitioning process;**

- using the existing capability for automatically updating the fixed asset inventory; and
- automating the bank reconciliation process.

Linking the Inspection Department and Zoning Office to the Tax Assessor's Office would improve tracking and management of additions and improvements to the tax rolls.

The zoning and construction software used to track financial information is out of date and does not meet the changing needs of management. Proper utilization of a solid database information system would result in bridging the gaps found between the Finance and Inspections Departments. The township has already recognized this problem and a long term solution appears be the development of better data management. The township is purchasing software that can, with proper training and planning, work to satisfy those needs as well as other data management opportunities in the other departments.

The Health Department could use faster machines to process dog licenses and to track health violations, as well as to determine dial-a-ride routes and schedule the Nurse's Office appointments. The Public Works' Department could use vehicle maintenance software, as well as a small database for vehicle records.

Proper information management makes way for more effective utilization of resources across all the functions of the municipal operation.

**To realize these improvements, the team recommends the following:**

- **Enhance duties of staff for minor LAN administration and contract out for administration of the local area networks in the building.**  
**Value Added Expense: \$10,000 - \$30,000.**
- **Adequately train personnel in the use of applicable software. On-site training is easiest to institute, but off-site training in the area may be acceptable to the township. Costs vary between \$100- \$400 per person. An estimated 40 staff trained at \$400 per person would cost \$16,000.**  
**Value Added Expense: \$16,000**
- **Develop an information system providing an appropriate database for Land Use and Construction which is linked to the Tax Assessor's Office.**
- **Automate requisitions and fixed assets in the Finance Department.**
- **Purchase check reconciliation software.**  
**Value Added Expense: \$50**
- **Automate vehicle maintenance and other DPW records.**  
**Value Added Expense: \$5,000.**

## **INSURANCE**

### **Service/Coverage Options**

Montville currently belongs to the Morris Area Joint Insurance Fund (JIF) and according to the Township Administrator, has the fourth best record in the JIF regarding the level of claims. The township is looking to self insure rather than stay in the fund, due to the belief that its level of risk abatement is not being properly rewarded within the current structure of the JIF.

The Township Administrator has been involved in self insurance in other municipalities and believes that this is an area that deserves consideration in Montville. To limit the level of exposure for the township, it has the option of purchasing excess insurance. This could be done through the Municipal Excess Liability Fund (MEL) or through a private underwriter.

The team believes that there is an opportunity to test whether self insurance is the best option while staying in the JIF, at least for the time being. The current structure of the workers' compensation coverage limits the exposure of the JIF to \$100,000 per claim before going to the MEL. If the JIF permitted the township to self insure for the first \$10,000-\$25,000 of a claim and to limit total exposure during a claims year to \$50,000-\$100,000 for a reduced JIF premium, there would be an opportunity for the township to explore self insurance under limited exposure. This would require changes in the JIF's structure to allow for a municipality to self insure a portion of its claims. The township paid about \$60,000 for the first \$100,000 of insurance through the JIF.

The township also has insurance covering both liability and property damage. The structure of the JIF appears to be sound, but the township does have only a relatively small "voice" in the JIF due to the number of members involved. The more members in the JIF, the smaller the voice one has in decision making. Allowing the municipality to cover initial losses up to a certain dollar amount may give it added incentive to restrain risks.

**Given the township's normally excellent level of workers' compensation claims, the Team suggests that the township explore this coverage option with the JIF to limit the threshold of self insurance exposure to a manageable level. However, the team believes that the township should strengthen its safety program prior to making a full commitment to self insurance. If successful, the township may want to add liability and property coverage to its self insurance program.**

### **Workers' Compensation**

Workers' Compensation claims are usually the root of most claims to a municipality. If there is a cost driver in the future of Montville's insurance claims, it would more than likely be in this area. In the past year, the township has had several accidents involving one department which has caused the township's workers' compensation claims to rise. The township pays the 30% difference between salary and the required workers' compensation payment when an employee is out on leave under workers' compensation. In 1995, the amount of this supplement was not significant, amounting to about \$330, but in 1996, due to an increase in claims, that figure has ballooned to over \$3,300 through August.

The township has had several unfortunate accidents in the Police Department due to lack of sound judgment on the part of the individuals involved. The team believes that safety warnings are going unheeded in this department and this is directly affecting the future costs of workers' compensation coverage. A measure that could be applied to contain workers' compensation claims is to charge back to the departments affected the cost of such claims. The charges back to the departments could reduce their operating budgets for the items not specifically related to direct services.

**It is recommended that the township reconsider this practice of making up the difference in salaries between what is legally required under workers' compensation law and the base salary of the employee.**

**Cost Savings: \$330 (in 1995; \$3,300 in 1996)**

**It is further recommended that the township consider charging back costs of workers' compensation claims to the departments affected in an effort to promote greater safety awareness. Greater management control should also be instituted to ensure that safe practices are enforced.**

### **Risk Management**

The Third Party Administrator of the JIF, or more appropriately, the township's risk manager (a hired consultant), should provide risk management services through the JIF. The team believes that, to date, the risk manager has not provided a sufficient level of service. This can partially be seen by the increased level of claims under workers' compensation. The township has a safety liaison who is working to gain greater knowledge about the insurance industry and the Township Administrator is well versed in risk management.

**A strong safety program with explicit policy statements and enforcement, training films and site safety inspections should be undertaken to reduce further risk of accidents. We believe the risk manager should take an active role in controlling this situation. It is also recommended that the safety liaison receive formal training in risk management.**

## **LEGAL**

In 1995, the Township of Montville utilized the services of three legal firms for general counsel and work related to affordable housing and land use issues. The total cost for these services was \$162,223. This is in addition to the legal counsel for the Planning Board, Zoning Board of Adjustment, Board of Health and the Special Counsel for Construction and the Municipal Prosecutor. These services cost the township \$39,203 in 1995.

In 1996, the township reduced its use of such a variety of legal firms and now relies on one firm for general counsel and work related to affordable housing and land use issues. General counsel includes tax appeal and other litigation responsibilities. The current Township Attorney receives a flat retainer of \$120,000 for 1996. This covers all expenses related to the

defined responsibilities, except services required for litigation above 600 hours for the year. Hours in excess of 600 for litigation would be charged at the rate of \$100 per hour.

The difference between the 1996 attorney arrangement and the 1995 arrangement has resulted in a savings of approximately \$42,223 to the township. In addition, this current arrangement affords the Township Committee and Township Administrator a much greater level of efficiency and accountability in legal affairs, perhaps a more important result than cost savings. In addition, there have been numerous efforts made to improve upon previous legal services that are evident in the positive changes made in 1996 to policies and procedures.

**We commend the township on the improvements made to date in the legal services area and suggest that the Township Committee continue to build upon the improvements already begun. Though some of these improvements may seem burdensome to some, they will surely provide greater protection of the township's interests than previous practices.**

## **TOWNSHIP CLERK**

### **Staffing**

This office is staffed by the Township Clerk and one clerk/typist. Until 1995, the office had two clerk/typists. The ordinance establishing the Clerk's Office provides for an assistant clerk position which has never been filled. The current Township Clerk has been on the job for 40 years. The remaining clerk/typist has been employed by the township for 11 years.

**To limit the township's exposure upon the eventual retirement of the Clerk, we suggest that staff from other departments be cross trained to assume the work in this office, and/or that the functions of this office be merged with that of the Township Administrator or Assistant Township Administrator, with appropriate support staff.**

### **Financial**

The 1996 budget for the Clerk's Office is \$128,285, which represents a 5.7% increase over the 1995 budget.

### **Functions**

The Township Clerk is officially responsible for attending all Township Committee meetings and keeping records of all minutes of those meetings, engrossing all ordinances and resolutions, issuing certificates for assessments and subdivision approvals, issuing certain certificates and licenses for commercial establishments operating within the township, maintaining all records such as bond documents, developers agreements, deeds to township-owned land, books, professional services contracts and legal documents of the township such as the Township Charter, maintaining the township seal and affixing the seal when appropriate. The Clerk is also officially responsible for elections, which includes certifying petitions, providing voter registration applications, certifying elections and coordinating with the county on voter registration.

Functionally, we found that while records appeared to be well maintained on ordinances, all other records were a bit disorganized and were, in many areas, being maintained not by the Clerk's Office, but by a combination of offices of the Township Administrator, the Assistant Township Administrator, the Finance Officer, the Township Attorney, and the Land Use Department, which has taken over the responsibility for issuing subdivision approvals. The township is in the process of revising its Codebook. Originally the Codebook was automated by a consultant, but the Township Committee decided to bring this function back in-house where maintenance of future revisions will primarily be the responsibility of the Assistant Administrator's Office and not the Clerk's Office. This is because, while the Clerk's Office had a copy of the original automated Code revisions, it has not been able to update it with the more recent revisions adopted by the Township Committee since the publication of the automated code.

Our review of Township Committee minutes shows that the Clerk's Office is currently backlogged in posting these minutes. At the time of our review, the Clerk's Office was at least three months behind schedule in recording Township Committee meeting minutes. In addition, resolution files were either incomplete or resolutions did not exist and many professional service contracts apparently were never prepared and executed.

The Clerk's estimate of her workload includes setting the agenda and preparing minutes (50%), collecting fees and issuing licenses and certificates (20%), election related activities (20%) and filing and recordkeeping (10%). However, we could not independently measure workload information because of the condition of the files and the fact that records are not maintained on daily activities.

Fees are collected by the Clerk for the issuance of food establishment licenses, permits for games of chance, such as raffles, billiard and pool room licenses, permits for operating junkyards and licensing taxicabs and limousines. Records of these fees are manually maintained in a ledger along with fees collected for copies of maps, property survey information and miscellaneous items.

**We strongly suggest that automation of records be implemented in this department as soon as possible to alleviate the considerable backlog and inefficiency problems. Further, we suggest that the Clerk's Office be required to take over full responsibility for all official township records, such as ordinances, resolutions, deeds, bonds, and developer's agreements. These documents should not be developed or maintained by other departments already burdened with their own responsibilities. As an alternative to requiring that this work be done by the Clerk's Office, the township may wish to consider our earlier staffing recommendations in this section.**

## **FINANCE**

### **Functions**



The Chief Finance Officer oversees or is directly responsible for building maintenance, purchasing, payroll, tax assessment, tax collection, cash management and all financial recordkeeping and official financial transactions. In general, we found the finance office to be well managed and continually open to the possibility of improvements wherever possible.

### **Staffing**

The department appears to operate with a conservative staffing level with all staff assisting in processing tax bill payments when needed. There are three staff members in the Finance Department, including the Chief Finance Officer.

### **Payroll**

Payroll is automated by ADP and processed centrally by one payroll clerk. Time sheets are only signed by police, public works' and part-time employees. The actual work hours of other full-time people who work their regular hours are not documented through the use of timesheets.

**It is recommended that the time for all employees be recorded and signed by the supervisor and the employee.**

### **Budget**

Montville is a township which appears to have very conservative financial practices and appropriate accountability. Accountability and responsibility could be better assured from the individual departments, however, if they were given detailed expenditure reports on a regular basis. In this vein, the Finance Department has just begun the process of networking several personal computers to the financial administration package. The plan is to connect all departments within the year. Once this is accomplished, it will be easier for the departments to track and be responsible for managing their expenditures.

The Team believes there are areas of the budget itself that could be managed less conservatively, while still protecting the township's interest. These areas include the estimations of tax collections and delinquent tax collections, which in turn drive the estimation of surplus.

*Surplus:* The surplus has averaged \$2,359,270 between 1993 and 1995. This represents 48.8% of the municipal tax revenue to be raised in 1995. Additionally, the surplus increased by \$1,062,003, or 60% from 1994 to 1995. The root of these increases lies in what appears to be routine underestimation of the collection rate and delinquent tax collections.

*Tax Collection Rate:* Underestimation of the property tax collection rate has a magnified impact on municipal property taxes because the uncollected taxes for schools and the county are included in the municipal budget as part of the reserve for uncollected taxes. In Montville, the municipal tax represents only 14% of the taxes collected. In 1996, a one percent improvement in the estimated collection rate would have meant a revenue decrease in the amount to be raised by taxation of \$380,952. In 1995, it would have meant a revenue decrease of \$350,780 in the amount to be raised by taxation. In both 1994 and 1995, the tax

collection rate was underestimated by more than two points. In 1996, the tax collection rate was again estimated at a full two points below what it had actually been over the previous two years.

**While we understand that this is a conservative measure aimed at protecting the township in case of a significant reduction in tax collections, it is clear that Montville is sustaining a stable collection rate and we believe it would be prudent to reflect a more accurate estimate of that rate in the budget.**

**Revenue Enhancement: at least \$350,780 (based on one point reduction in 1995)**

*Delinquent Tax Collections:* The delinquent tax collection rate is also routinely underestimated. It is true, that as the collection rate improves, the pool of delinquent collections will diminish. For the period 1993 to 1995, the underestimation of delinquent collections averaged \$270,066, or more than 30% . It is safe to estimate that this amount will be relatively stable and that estimations can be made closer to the amount collected in the previous year. For instance, in 1995, the estimate was \$789,000, the previous year's collection was \$917,889 and actual collections were \$1,169,788.

**Using 1995 numbers, as less conservative estimates, would have reduced the amount to be raised by \$128,889.**

**Revenue Enhancement: at least \$128,889**

### **Capital Expenditures**

Debt service on current and authorized capital improvements is a significant factor in the planning and management of the township's budget. The township has established a committee to plan for the best possible management of these capital expenditures. Membership on the committee includes representatives of the Township Committee, the Administration and the public. It is receiving input and support from both its bond counsel and auditor.

The Auditor's current recommendation is to allow for an increase in the tax rate of \$.02 per year for capital expenditures. Although it is the team's mission to try to assist municipalities in holding down its expenditures, and therefore its tax rate, Montville's circumstance is such that it is reasonable to conclude that a tax rate increase is not only appropriate, but most likely necessary. However, the township could utilize the savings realized through implementation of the recommendations in this report to mitigate or eliminate potential tax rate increases incurred for capital projects.

Montville's growth in housing units and population is significant, as is the growth in the services and facilities required and desired by the community. In many communities, the growth in the tax base would support the growth in the demand for services. In Montville, however, the municipal tax rate is only 14% of all taxes collected. The norm for other communities reviewed by the team is 30%. Montville's 1996 rate of .51 applied to the growth in the tax base of approximately \$45,000,000 is just over \$250,000.

**The township is to be commended for realizing the critical importance of minimizing the tax impact of its considerable capital expenditures by establishing a committee to make recommendations for the most appropriate management of such debt.**

**To maximize the productivity of any tax increase, Montville should work closely with its financial advisors to package debt for the best possible rates and manage the timing of this debt to provide for its funding over an extended period of time. Appendix A is an example that the township may wish to consider of the timing of the debt to lessen the annual tax impact by wrapping it around current obligations.**

### **Purchasing**

The Finance Officer is the designated purchasing agent for the township. As such, the finance officer keeps quite abreast of available purchasing mechanisms for cost containment and reduction. An account clerk in the office spends 15% of her time on purchasing. The township does 70% of its purchasing through the County Cooperative. The fee for membership is \$650 per year. Forty seven different items, including bulk fuel, tree maintenance services, janitorial supplies, paper and offset supplies and pick up and disposal of dead animals on the road are purchased through the cooperative. Items not purchased through the cooperative are required to be processed through the Finance Officer. The township does not currently lease any equipment. It appears to properly bid all of its eligible purchases.

The purchase of an automated system has greatly enhanced the township's ability to maintain records and process purchase orders. Future enhancements could include electronic requisitioning. Electronic requisitioning has already been implemented in Lakewood Township and is reported to be working very well. In fact, this system has reduced turnaround time by 50%, from a 48 hour turnaround to a 24 hour turnaround. Lakewood has also been able to increase controls in two ways. First, by limiting authorization to initiate requisitions, the number of unauthorized purchases has been significantly reduced. Second, the system is designed to prohibit sub-accounts from being overspent. Automated requisitioning could further decrease turnaround time and decrease typing now duplicated in the current requisition process.

The Finance Officer handles several emergency purchase orders each week. The only difference between an emergency purchase order and a normal purchase order is that there is no requisition. Almost all emergency purchase orders come from the Department of Public Works and usually involve the purchase of a part for a vehicle. While the account clerk who handles these emergencies has encouraged the DPW to take an inventory of parts and pre-order them, there has been no formal training of the DPW staff and emergency orders have become routine. There is no special tracking of these emergency purchases and they are processed in the same way normal purchases are processed. Since emergency orders are not tracked, there is no way of determining what is consistently being ordered. If the township were to track these emergency purchases, it may be able to develop ways to reduce or eliminate the practice, perhaps through proper purchase planning by the DPW.

In our review of the current fixed assets inventory system we found that while the automated purchasing system has fixed assets inventory capability, it is not being fully utilized by the township. The fixed assets inventory is fully updated once a year, however, major equipment purchases such as vehicles or copiers are put into the system at the time of purchase. The fixed assets inventory is categorized under four major categories, including land, buildings, vehicles and equipment and it has a threshold of \$300.00. This is well below the threshold required under Technical Accounting Directive #85-2, which sets the threshold at \$5,000 effective January 1, 1997. This is an effort on the part of the Finance Officer to further record the township's assets than that which is required. It does not appear, however, that the township utilizes computerization to keep track of surplus equipment that is deleted from the fixed assets inventory. An example of this was when a vehicle was taken out of service it was simply identified as no longer in inventory with no explanation of why it was taken out of inventory, what, if any, dollar value it had, or its disposition. There are, however, appropriate and adequate manual records detailing the disposition of items, most often sold at auction.

**We recommend that the township institute an electronic requisitioning system to compliment its existing electronic purchase order system to increase productivity and improve controls.**

**We suggest that the township take advantage of the full capability of its fixed asset system by utilizing its reporting functions to further track equipment and other fixed assets.**

#### **Township-owned Land**

There is a large inventory of township-owned vacant land. This inventory, however, is not complete, based on our conversations with current and former township officials. Our review of this inventory and our discussions with officials indicate that a substantial amount of this land is not designated for any specific township use. The potential disposition of this land, therefore, may include its sale, designation for a specific municipal use, and/or its addition to the open space inventory. Though much of this land is environmentally sensitive, there are portions of it that may be of interest to potential buyers. It appears that there may be at least three parcels on the inventory, valued at more than \$200,000, that could be sold.

**We suggest that the township review all of its land holdings to determine an accurate inventory and the reasons for the holdings. Further, we recommend that the township consider selling that land which does not serve a designated purpose. This would result in one-time sales revenue to the township, as well as additional annual tax revenues once it is returned to the tax rolls. We caution the township, however, to be sure that this land is not needed for any other purpose, such as to meet the requirements of the Green Acres' program.**

**Revenue Enhancement: \$200,000 (one-time), plus additional tax revenue**

#### **Cash Management**

The Finance Department is a well-managed operation in terms of how the township's bank accounts are maintained and to the extent that investment decisions are made. Disbursements

are issued twice a month and the staff has a very clear understanding of the municipality's flow of funds. The personnel are experienced and conscientious and open to suggestions for improving methods and procedures.

The Finance Officer is clearly interested in maintaining an equitable playing field for all community banks. This is done by listing the names of all the Montville township banks on the township resolution at the beginning of the year. Banking service quotes are secured as a result of a letter from the Finance Officer and personal interviews with the banks.

The relationship with the community banks is such that each one of them is encouraged to contact the Finance Officer at any time to discuss new product offerings and services. Furthermore, the community banks are contacted on a regular basis when the township is in the market to invest in certificates of deposit (C/Ds). These are usually purchased when excess funds become available and are typically issued with terms of between 30 and 90 days. Although all community banks are considered, only Fleet Bank and Metropolitan State Bank are full-service institutions, i.e. organizations equipped to provide required services to the township. The other banks are savings and loan associations which do not generally offer competitive rates. The municipality has a long and very good relationship with Fleet Bank, formerly NatWest, dating back at least 25 years.

All township funds are deposited daily into Fleet Bank by the police department on a consistent and timely basis. Furthermore, the payroll deposit is initiated by ADP on the issuance day, which maximizes the use of funds. Additionally, all developer escrow accounts are deposited with Fleet Bank with the township benefiting from one-third of the interest earnings, in accordance with N.J.S.A. 40:55D-53.1.

*Earnings Comparison:* An analysis was performed comparing the township's 39 accounts (22 operating and 17 trust) to the 1995 earnings rate of the New Jersey Cash Management Fund and the 91 Day T-Bill rate. We concluded that if it was possible to reduce every account to a zero balance, the following estimated gains would have been realized: \$80,800 as compared to the rates of the New Jersey Cash Management Fund (NJCMF), and \$78,100 compared to the 91 Day T-Bill. However, we adjusted these estimates to account for the fact that it is not practical nor realistic to expect all accounts to be brought to a zero-balance. Consequently, we applied an adjustment factor to compensate for the variety of activity levels and required account balances. We concluded that a conservative estimate of additional potential earnings based on 1995 data would, therefore, be \$69,600 using the New Jersey Cash Management Fund earnings rate and \$67,200 using the 91 Day T-Bill earnings rate.

We also reviewed the 3 C/Ds issued by Metropolitan State Bank and the nine C/Ds issued by Fleet Bank, with an approximate aggregate value of \$16,100,000. We concluded that all were purchased at an appropriate time and for appropriate terms.

*New Technologies/Methods:* The Finance Officer has recently installed Fleet Bank's balance reporting system which identifies the current balance in each of the main (primary) operating

accounts. This enables better control of funds, which lends itself to an efficient and effective cash management system.

The Finance Officer has also considered opening eight accounts with the New Jersey Cash Management Fund as a result of our analysis. Deposits into the NJCMF will be from various main accounts identified as having excess funds that will not be used for operating expenses for the next 90 days. By depositing into the NJCMF, the township is taking advantage of an investment vehicle that pays a competitive rate, has the benefit of immediate liquidity, and does not charge an administrative fee.

The Finance Officer has requested that Fleet Bank provide a monthly customer account analysis in a consistent and timely fashion. The report identifies the current balances in all the accounts as compared to the needed funds to pay for services. Furthermore, it helps to illustrate the current trends in each account as well as the aggregate summary. This is a vital tool in helping the Finance Officer make prudent investment decisions.

*Other Analysis/Tools:* The Team also illustrated a simple, concise and precise method of tracking the flow of funds for any and all accounts. In addition, we illustrated a method of short-term forecasting based on the previous year's account trends. Again, this can be done on a discretionary basis for specific accounts or by aggregating the revenues and expenditures of all accounts.

Typically, the trend will remain fairly constant from year-to-year, but can be adjusted at will with no additional administrative overhead. The analyses illustrated are valuable tools that will enable the Finance Officer to predict cash flows with less effort and more accuracy, in addition to being adequately equipped to negotiate services and rates with the banks.

**We suggest the following for the township's consideration:**

- **Generate a short-term forecast at the end of each business year which would project estimated revenues and expenditures for the subsequent year. The forecast should include at a minimum, the main accounts, additional accounts can be included as appropriate.**
- **Maintain a daily cash flow for each of the main accounts; secondary accounts can also be maintained as needed.**
- **Review the monthly customer account analysis on a consistent and timely basis to determine if available balances should be adjusted.**
- **The Finance Officer should meet with the School Business Administrator to determine how the municipality and the school district could increase their earnings potential and promote a more consistent level of services, while reducing its overhead costs. One suggestion would be to distribute the bank accounts between Fleet Bank and Metropolitan State Bank. Presently, Metropolitan State does not offer the school district the same level of services as Fleet Bank. One essential**

service that is not provided to the school district is a monthly customer account analysis.

- **Continue to review the township's accounts and related banking services and fees with the government banking officers of Fleet Bank. This practice will help to determine new trends and develop new strategies for managing the flow of funds.**
- **Continue to seek out new methods of streamlining the financial operation as it pertains to the township's cash management system.**

We estimate that the potential exists to garner an additional \$69,600 of interest earnings based on the premise that excess funds would be deposited into a fund which yielded a rate equivalent to the New Jersey Cash Management Fund (NJCMF). Therefore, we urge the township to evaluate all accounts and determine where funds in excess of \$100,000 could be invested for terms of no less than 30 days. We suggest this criteria due to its ease of application and minimum administrative overhead.

**Revenue Enhancement: \$69,600**

## **TAX ASSESSOR**

### **Staffing**

Until very recently, the Tax Assessor's Office consisted of one full-time assistant and one part-time assessor. The full-time assistant became certified and a part-time clerical was hired in June, 1996. Both part-time employees receive benefits. With this addition, the office reached a full-time equivalent (FTE) of two. This is generally consistent with the International Association of Assessing Officers' parameters which indicate that a town with 8,000 - 11,000 line items should have one full-time assessor plus a second person working five to 35 hours depending on the community's specific characteristics. Given Montville's high rate of growth, the new staffing configuration appears to be reasonable, though somewhat disjointed.

**We recommend that the township consider staffing this office with one full-time assessor and one full-time clerical person, rather than splitting up these functions, paying benefits for two part-time positions, and paying a higher prorated salary for part-time employees than would most likely be necessary for full-time staff. In fact, we suggest a salary for a full-time tax assessor in the range of \$45,000. We believe that a consolidation of these positions would also lend consistency and greater productivity to the operations of this office.**

### **Operations**

In Montville Township, the total number of line items is currently 7,424 and was 7,292 in 1995. The number of line items increased by approximately 2% from 1995 to 1996 and by 5% from 1994 to 1995. Almost 80% of the tax base is residential and 15% is vacant land. Three percent of the properties are tax exempt.

The last revaluation was conducted in 1985. The equalization ratio has decreased steadily and is at 56.3% in 1996. New Jersey practices dictate that a county require reassessment or revaluation when the ratio falls to less than 75%. In fact, Montville has received a letter which indicates that the county will require a revaluation.

The Tax Assessor's Office completed 150 field inspections in 1994 and is expected to have completed 200 field inspections in 1995. At this pace, field inspections are not keeping up with the need. The following chart depicts the backlog in the Assessor's Office on two random dates during our review.

	<b>Assessor's Backlog</b>		
	<b>July 25, 1996</b>	<b>August 6, 1996</b>	<b>Change</b>
<b>New Construction</b>	60	95	+35
<b>Additions</b>	200	206	+6
<b>Miscellaneous</b>	375	407	+32
<b>Total</b>	635	708	+73

Using the International Association of Assessing Officers' parameters for the number of each type of inspection that can be performed in a day, and the average distribution of the type of work, a field inspector can complete about seven new dwelling inspections in a seven-hour day. The Montville Assessor's field time is the equivalent of 62 seven-hour days and, therefore, the standards dictate that he could complete as many as 434 inspections in a year. According to the standard, the Assessor is functioning at 46% productivity.

The township is to be commended for adding staff to the Assessor's Office and the Inspections Office to try to alleviate the backlog in assessments of additions and alterations. The incremental cost of the new staff for both offices for year to date 1996 is \$14,567. The 1996 annual tax value of the improvements put on the tax rolls to date is \$12,296. It can be realistically estimated that the rate at which these additions to the tax rolls are made will increase as the new Assistant Assessor gets acclimated to her position.

During the course of our interviews, the Team has been told of a number of properties that were not assessed in a timely manner and, therefore, resulted in loss of tax revenue for the township. There is currently no routine process, however, that could be identified to adequately track both the progress and turn around on Certificate of Occupancy (CO) and Certificate of Approval (CA) triggered inspections, or identify the flow into the Assessor's Office from the Inspections Department. The records could not verify the productivity of the staff or document the prioritization of the efforts of the office. Even beginning with the assessment triggering CO/CA did not provide an accurate picture of what had or had not been assessed. We were assured by the Assessor's Office that new dwellings were assessed as soon as possible and within two years of the CO date. The team's cursory review of older CO/CA files revealed that at this point in time, at least, the Assessor's Office is putting new dwellings on the tax rolls within the allowable two year time frame. However, miscellaneous items and additions date back to 1986.



A simple log of items coming in with basic information would allow the office to routinely prioritize items pending by value and by date of CO/CA. In addition, the productivity of the office could be more accurately monitored.

**The review team recommends that: a) an outside company be retained to complete the backlog and/or b) the township follow through on the County's request for a complete revaluation; this would cost an estimated \$300,000 and could be funded over five years and c) the township redesign and automate the record keeping for the entire operation to assure accountability and measurement of productivity so that appropriate adjustments may be made before there is loss of revenue.**

### **Appeals**

Appeals vary from year to year. In 1994, 31 appeals valued at \$99,314,700 were made and \$9,901,200 in adjustments were made. In 1995, there were more than 45 appeals valued at more than \$30 million and, in 1996, 51 appeals amount to almost \$90 million according to the Assessor. The appeals are predominantly for warehouse and/or commercial properties. The adjustments for 1995 and 1996 are not yet available from the Assessor, however, he expects them to be similar to the 1994 figures.

## **TAX COLLECTION**

### **Staffing**

The present Tax Collection Office consists of a Tax Collector and an account clerk. Last year was a transition year for the office as the previous Tax Collector was on leave from May through September, at which time she retired. This left the present Tax Collector to work in an "acting" position with the help of a part-time tax clerk, since the township would not allow the hiring of any support personnel during the Collector's leave period. In September, the "acting" Tax Collector was given full status and was able to hire additional help. The part-time position was eliminated during the later part of 1995 and is not slated to be brought back. Even with the transition, the office was basically able to keep up with the workload and achieve an excellent current collection rate of 97.70%.

In 1995, the Tax Collection Office spent approximately \$84,515 in salary payments (based on all salary amounts paid in 1995) and approximately \$26,435 on complete benefits. As a result, the total cost associated with this office was \$110,950. This office will spend at least \$85,223 in 1996 on salary and full benefits, based on 1995 salaries. This represents a savings to the township of \$25,727 due to the stable workforce that currently exists in the Tax Collection Office.

There are 7,424 tax lines within the township, which is up from approximately 4,800 tax lines in 1986. The present staffing level equates to a staff to tax line ratio of 1:3,712. This ratio is a little bit misleading, since the Finance Department staff will assist with the collections during peak collection periods. Nevertheless, the township is to be commended for improving upon

a standard ratio of staff to tax lines identified in earlier Local Government Budget Review reports of approximately 1:3,000.

**We commend the Tax Collection Office for its successful efforts, particularly during a difficult transition period.**

### **Operations**

Last year, the Tax Collection computer software and the entire financial package was changed. This was apparently due to the age of the county system and its inability to fulfill the needs of the office. The transition to the new software is now complete. The office records all payments, creates reports, and performs other miscellaneous functions using the new computer software.

The tax billing and collection process is very standard in its procedures, as prescribed by statute (N.J.S.A. 54 - Taxation). The tax bills are sent out in early July to the residents. The bills are created and shipped to the township at a cost of approximately \$1,700. Once the bills are received at the township, they are verified and sent out to the residents. Payments to the Tax Office are due quarterly (August, November, February, and May), with the first two quarters' bills being actual bills and the last two quarters' bills being estimated. Each account is given a ten day grace period before penalties are assessed. The township is at the 8% and 18% statutory interest charge limit for delinquent payers, and just this past January, the township implemented a flat 6% penalty for accounts with an outstanding balance in excess of \$10,000 at the end of the year, as allowed under N.J.S.A. 54:5-61. This 6% end of the year penalty will take effect 12/31/96. Delinquent notices are sent out quarterly after the current collections are posted to the ledger. Delinquent notices were previously only sent out two times per year.

The State of New Jersey recognizes an average/acceptable current tax collection rate of 95%. In Montville, the 1995 rate was 97.7%. It has risen steadily since 1991, when the collection rate was 96.03%. The increase in collection rates is attributed by the present Tax Collector to the change to sending out delinquent notices quarterly, instead of semi-annually. The sending out of quarterly delinquent notices has also helped to maintain the amount of money collected for delinquent taxes at a high level, even with the increase in current collection rates. The amount collected in delinquent taxes was \$1,036,521, \$917,881, and \$1,117,070 for the years 1993, 1994, and 1995 respectively. Also for those same years, the delinquent collection rates were 83.89%, 71.71% and 87.46%, respectively.

Presently, bills are collected in three ways: through the mail, walk-up payments, and on-line with some mortgage companies. There is no after-hours drop box for people to leave their payments after the municipal offices are closed. When an in-person payment is received, a receipt is given to the customer through an automatic receipting machine, which automatically posts the information into the computer and the money is deposited directly into the appropriate account. Recently, the office began accepting on-line payments from several mortgage companies, which pay close to 40% of the residents' taxes. The information and payments were directly down-loaded into the office's computer and automatically posted to

the ledger. This process saved the office a substantial amount of time and effort, in not having to manually enter the mortgage company's information into the computer.

The Tax Collector is pleased with the service provided because bills are created, broken apart, and shipped to the township within a few days. Before the change to the new software package, the County used to create the bills for the township. The office has inquired about possibly doing this service in-house, thinking that the present staff could create the bills as fast and at less cost than the outside agency, but the township would need to buy a specific printer and a machine to break up the bills. Due to this expense, there appears to be little support for this venture.

**The Tax Collection Office should be commended for its excellent current collection rate in 1995 and its steady increase of rates since 1991.**

**It is recommended that the township allow the Tax Collection Office to institute an after hours drop box system for the collection of tax payments. This system would be advantageous to the Tax Collection office in that it should reduce the number of walk-up payments and increase the non-walk-up payments which are usually much faster to complete. Also, this system is a way that the township can adapt to the residents, since many people may find it inconvenient to come to the township during work hours or feel uneasy about paying their bills through the mail.**

**The office should be commended for staying current with technology to provide services in an efficient and cost effective manner by utilizing on-line services.**

## **HEALTH**

### **Staffing**

The Health Department operates all divisions with a Health Officer, five full-time employees and five part-time employees. Some of the part-time employees are scheduled to work 30 hours per week.

### **Fees**

In reviewing the department's operations, it was noted that the fees for the entire Health Department have not been updated since 1991. Prior to 1991, it was estimated that the fees had not been updated since 1981 or 1982. If a 10% increase (aggregate) in general fees and permits were determined to be warranted, the Health Department could receive an additional \$1,059 per year in revenue, based on 1995 Board of Health fees and permits revenue of \$10,586.

**It is recommended that all of the Health Department fees be reviewed and updated annually, to assess whether the fees that are in place are comparable to other communities and/or covering the cost of issuing the license/providing the service.**

**Revenue Enhancement: \$1,059**

## **Services**

The Health Department consists of six major components: Vital Statistics, Animal Control, Dial-A-Ride, Environmental Health, Youth Services and Preventive, Personal, and Community Health. In addition to providing health services to the residents of Montville Township, the department also provides the Borough of Mountain Lakes with health services through inter-local agreements. The department also provides animal control services to the Borough of Lincoln Park, and the Township of Boonton. Furthermore, the department provides school nursing services to the township's non-public schools, through an agreement with the Board of Education.

In providing health services to the Borough of Mountain Lakes, excluding animal control, the Montville Health Department receives \$1,291.42 per month (payable quarterly), for a total of \$15,497.04 per year. The department provides the services of Health Officer, Public Health Nurse Supervisor, Health Educator, and Sanitarian to the Borough to assist with public health activities, including, but not limited to environmental health, health education, nursing supervision, and administrative and supervisory activities. Each function is to be provided as required by statute. The department is responsible to provide "sufficient time to satisfactorily perform its required duties," which is figured to be approximately five hours a week for all non-health educator related services, 60 hours a year for health education services, and 30 hours a year for public health nurse supervisor services. The approximate amount of time that the department is to provide to the Borough is 350 hours per year. Using the revenue figure of \$15,497 and the approximate 350 hours of service time, the Borough of Mountain Lakes is paying the township about \$44 per hour for services rendered.

**The township should be commended for its interest in keeping down the cost of providing services in New Jersey and finding alternative sources of revenue, by forming inter-local agreements with other governmental entities to provide health services in total or separately.**

## **Vital Statistics**

The Vital Statistics function is responsible for issuing and maintaining documents pertaining to births, deaths, burials, and marriages. The Health Officer serves as the Registrar of Vital Statistics, and the Secretary to the Board of Health serves as the Deputy Registrar of Vital Statistics at no additional compensation. During a typical week, a couple of hours per day are spent on Vital Statistics work. Since the move to the new building, there is a separate room for obtaining and storing information ... this is seen as a positive change since the records are now fully secured and people can give information about themselves and their background in a private setting.

## **Animal Control**

The animal control function is staffed by a full-time Animal Control Officer and a part-time assistant. The staff is responsible for operating the township's animal shelter, which holds numerous stray/unwanted cats and consists of a 12-run dog facility, controlling the stray animal population, providing rabies clinics, administering the animal adoption program, and

conducting various educational sessions. Along with providing animal control services to Montville, the township also serves the Borough of Lincoln Park, the Borough of Mountain Lakes, and the Township of Boonton through inter-local agreements.

The inter-local agreements with the three municipalities are based on individual fees for different services with a monthly retainer/service charge. The service charges range from \$330.96 per month for the Borough of Mountain Lakes, to \$413.70 for the Township of Boonton, to \$551.60 for the Borough of Lincoln Park. The individual fees include \$4 per day, per animal for a boarding fee at the township's animal shelter, \$25 for an animal euthanasia, and \$25 for an animal disposal. In 1995, the township received \$18,064 from the three municipalities to which the township provides animal control services. Through these agreements, the township provides the Borough of Lincoln Park and the Township of Boonton with "patrol and routine surveillance service. Included in this time is any emergency animal control needs which would include the pick-up and impoundment of any stray, injured or entrapped animal with the emergency transportation of sick or injured animals to a licensed veterinarian..." The agreement with the Borough of Mountain Lakes is an "on call" agreement with no patrol or routine surveillance services. The service times to the municipalities are up to 12 hours a month for Mountain Lakes, up to 180 hours per year to Boonton, and up to 240 hours per year to Lincoln Park, which totals approximately 564 hours per year. Any additional hours of service are compensated at \$41.50 per hour. Using the 1995 revenue figure of \$18,064 and the 564 approximate hours of service, the municipalities are paying the township approximately \$32 per hour for services rendered.

When the animal control operation was created, it was intended to be self-supporting. Though the township did not directly lend budgetary support to the program in 1995 and 1996, it has continued to pay indirect staff expenses such as health, leave and statutory benefits. Considering this indirect support, the operation is not self supporting. Revenues for the operation include inter-local agreements, dog and cat licensing, grants, donations, and other miscellaneous funds. Expenditures include salaries, utilities, vehicle repairs, postage, veterinarian service, state fees, and other miscellaneous expenses. According to financial records, the animal control operation was credited with \$61,335 in revenue and charged with \$66,273 in expenditures in 1995. On the surface, it looks as though the operation only incurred a \$4,938 deficit for the year. However, the expenditures fail to account for the \$9,905 cost of health benefits and the \$3,837 cost of statutory benefits (pension, social security, etc.) and the paid leave value of \$5,801 for the two employees. When these costs are added in, the total deficit for the operation rises to \$24,481. The governing body needs to decide to what extent the operation should be tax supported based on the extent to which it directly benefits only a portion of the residents (people who own pets) versus the extent to which the operation benefits all of the residents (through containing rabies, clearing dead animals, controlling wild animals, etc.). Through this analysis, the township can consciously establish an appropriate level of tax subsidy.

The operation annually submits for, and receives, Dodge Foundation grants to help offset the costs associated with running the program. For the past three years, these grants have totaled between \$3,000 and \$3,500 annually. The operation is also very active in seeking out

donations from residents and private business. In 1995, they received donations of \$3,571, along with various donations of food, supplies, etc.

**It is recommended that the governing body review the extent to which the animal control operation should be tax supported.**

**The animal control operation should be commended for seeking alternative sources of revenue.**

### **Dial-A-Ride**

*Program:* The Dial-A-Ride program provides transportation to the senior citizen population of Montville who are financially hardshipped and/or have no means of transportation. According to the Health Officer, the program is very popular among the residents, even though the actual number of program registrants has decreased from 223 in 1990 to 168 in 1995. The service provides scheduled trips to area malls, supermarkets, and nutritional sites and provides transportation to dental or doctor's appointments free of charge to program participants.

In 1995, the Dial-A-Ride program provided 3,210 rides to its participants. The program provides participants with transportation within a nine mile radius of the Montville Municipal Building. There are two part-time drivers for this program, and the Secretary to the Health Department does the scheduling and dispatching of rides. Both drivers are on a 30 hour work week, but are budgeted for a 35 hour work week to cover any incurred overtime costs.

The program currently operates a 21-passenger bus and a station wagon. Dial-A-Ride vehicles were purchased through grant moneys. The program is currently waiting for a 12 passenger vehicle with handicap accessibility. The Dial-A-Ride vehicles are also made available for the provision of transportation in the Archway (recreation program for the handicapped), Explorers, Health, and Senior Citizen Programs.

*Financial:* During 1995, the program paid out \$58,336 in salary and benefit costs (including paid leave value) and \$4,821 in other expenses. In total, the program cost equaled \$63,157 for 1995. This total cost, however, does not take into account the time put in by the Secretary to the Health Department. People are allowed to call the Health Department between 9:00am - 12:00pm to make appointments to be picked up. If the secretary were to average working 1 1/2 hours per day (21%) on Dial-A-Ride, approximately \$9,111 could be charged to the Dial-A-Ride program. This additional \$9,111 would bring the total cost of the program to approximately \$72,268 or \$22.51 per ride.

During 1995, the township offered the service to Boonton Township at a total cost of \$17.78 per ride. The township provided the service to seven Boonton residents for a total of 67 rides (according to the department's annual report). According to the Finance Officer, the township billed Boonton for 55 rides, not 67 in 1995.

The use of volunteers would greatly enhance the time that the secretary could spend on other Health Department activities. The office does a wonderful job of soliciting and using volunteers in its Preventive, Personal, and Community Health function and should consider doing the same for the Dial-A-Ride Program, perhaps utilizing, on a volunteer basis, the skills of the senior citizens who avail themselves of this service.

The Dial-A-Ride program is a necessary service to some senior citizens in the Township of Montville. It is, however, quite costly at approximately \$72,268 per year, with only 168 residents taking advantage of it.

**It is recommended that the office consider soliciting and training volunteers, possibly senior citizens who benefit from the program, to assist the secretary with the scheduling and dispatching associated with Dial-A-Ride. If half of the secretary's time associated with the Dial-A-Ride function were transferred to volunteers, the township would realize approximately \$4,556 in enhanced productivity for other Health Department activities by the secretary.**

**Productivity Enhancement: \$4,556**

**It is recommended that the Health Department and the governing body review the extent to which the township should subsidize a program that only benefits a small portion of the population. This discussion could include such items as charging fees, reducing levels of service, contracting out the service, etc. It is recommended that the township conduct a survey of neighboring municipalities to establish the level of service being provided to area residents and the associated cost.**

### **Environmental Health**

The Environmental Health Office has undergone some drastic staffing reductions in the past year. The staff of two sanitarians and one field representative has been reduced to one sanitarian. As a result, the work is starting to backlog. The township has been trying to hire an additional sanitarian, but there has been no progress made to this point. No real discussion has taken place on whether to fill the vacant field representative position.

This office is responsible for performing both complaint and routine inspections dealing with health and environmental concerns, and then coordinating whatever investigations and actions may be necessary. The major areas of concern are septic tanks (construction, routine inspections, evacuating, covering, etc.), food establishments, public nuisances, pollution control, and public swimming areas. The office also handles Planning Board reviews and various other duties.

It is the opinion of the LGBR team that the Environmental Health division of the Health Department is significantly understaffed at the present time and should follow through on its current efforts to hire a full-time sanitarian. According to the State Board of Health's "Calculations to Determine the Number of Sanitarians Needed per Local Health Jurisdiction," the number of personnel needed in the Montville Environmental Health division is

approximately 2.5. This 2.5 personnel is below the previous level of three personnel, but well above the current staffing level of one.

Once another sanitarian is hired and the township has the opportunity to assess the productivity of the department with this additional staff, it could discuss the need for the additional hiring of a part-time position to meet the 2.5 staffing level. An alternative to the hiring of a part-time position, if additional help is still deemed warranted, would be to consider an increase in the work week of the sanitarians to 40 hours per week (excluding lunch). This represents a five hour increase in each sanitarian's hours and a ten hour increase in the operation of the department. The local Board of Health and the Administration should discuss whether this increase of ten hours per week would be significant enough to address the workload. A five hour increase in a work week equates to roughly a 12.5% increase in productivity.

**It is recommended that the township continue in its efforts to hire another licensed sanitarian. Also, the township should further investigate the need for additional help beyond a newly hired sanitarian once there has been ample opportunity to review the department's ability to handle the workload given the additional sanitarian's efforts. The alternative to hiring a part-time person should also be discussed.**

### **Youth Services**

The Montville Youth Services Bureau, which is housed in the Department of Health, coordinates and is involved in programs based either in the Montville Township Youth Resources Committee (YRC) or the Drug Awareness Council (DAC). The Bureau, which is physically located in the Sisco House and consists of one staff member, provides substance abuse prevention programs and social and educational opportunities for township youth.

DAC funded programs include Project Promotion, which is a celebration of the graduation of eighth grade students into high school promoting substance free activities (200+ students) and REACH (Responsible, Educated, Adolescents Can Help), which is a substance abuse prevention program that trains high school students to instruct elementary students on such topics as peer pressure, self esteem, decision-making, and refusal skills (60+ H.S. students & 1,100+ elementary students).

YRC sponsored programs include: Baby sitting service, job services, anti-vandalism contest, drop in center, Red Hand Program, which provides students with a "safe house" to go to if they feel threatened/frightened, community service work, information and referral services, educational lectures, municipal youth service awards, Clean Communities Grant activities and Tobacco Age-of-Sale Enforcement Program.

School related programs include:

- Project Graduation - celebration for graduating seniors to prevent tragic deaths resulting from drinking and driving following graduation parties (250+ participants);
- Student Advisory Committee on Substance Awareness - addresses education and recreational needs of the youth and promotes youth participation (30 + students);



- Crisis Counseling - providing schools with needed support in time of tragedy; and
- Project SAVE (Substance Abuse Vital for Eradication) - addresses substance abuse issues of township students.

In addition to a township budgetary allocation, revenue comes from fund raising and donations. Total revenues for 1995 included \$8,122 in donations and \$4,008 in fundraising revenue. In addition, the Clean Communities Grant awarded to Montville totaled \$22,569. Total expenditures for 1995 were \$36,016.

**We commend this program for its comprehensive service offerings at little cost to the taxpayer. We suggest that the township consider possibly offering administration of these services to other municipalities through inter-local service agreements as a revenue source.**

### **Preventive, Personal, and Community Health**

There is a full-time Public Health Nurse working 30 hours per week and a part-time Public Health Nurse working 15 hours per week in this function of the Health Department. The office provides services including preventive health care screenings, child health conferences, immunizations, referrals, mammography clinics, blood screenings, seminars, investigating communicable diseases, and other various services. Another major function is giving nursing services to the non-public schools and auditing all of the public and private school's records to ensure that all children are properly immunized and healthy. The school nursing function is the main responsibility of the part-time nurse and this position is subsidized by the Montville Board of Education, through state moneys.

The Preventive, Personal, and Community Health function is supervised through an agreement with the Chilton Memorial Hospital. In order to be a supervisor of this function, a person must have a Master's Degree. The cost to the township is \$2,112 per year for approximately 66 hours of service. Included in this supervision is the review of existing policies and procedures, access to educational programs at the hospital, and direct supervision of personal health services. Along with supervision, the hospital also gives the township assistance in assessing health education needs, planning, developing, and implementing health education programs, and integrating a health education component into the Health Department. This is done through an agreement in which the Chilton Memorial Hospital is named the Health Educator. This agreement costs the township \$3,080 per year for 110 hours of service.

The office is proficient in the use of volunteers in its programs. In providing the health care screenings, child health clinics, and other programs, the Public Health Nurse uses 10-15 volunteers. Included in these volunteers are area doctors and nurses, which appears to be a very unique practice. In order to keep the volunteer base high among the area doctors, the Public Health Nurse invites a different doctor to each program.

**The nursing function of the Health Department should be commended for its efforts in keeping down the cost of providing health services by soliciting the help of area professionals to volunteer at various programs. Along with this, the department should**

**consider whether it is possible and or cost effective to provide this service to other municipalities.**

## **LIBRARY**

### **Background**

The township's rapid growth has resulted in increased residential development and growing school enrollment. This growth resulted in increased pressure on the library system and facility.

In 1988 the Library Association agreed to a 3,500 square foot expansion of the original, converted one-room school house. In the same year, the citizens of Montville passed a referendum to incorporate the private library into a municipal library. This meant that the library went from reliance on the governing body of the municipality for appropriation of funds and management of the facility to state funding under the supervision, administration and control of a board of directors.

In an example of community involvement and cooperation, the Library Board negotiated with the Montville township Board of Education for a site and with the Montville Township Committee for financial support. The Library Board pledged the remainder of the costs. The new library building of 18,000 square feet opened in March, 1995, complete with several meeting rooms.

### **Operations**

The Library Board has nine members comprised of the Superintendent (principal serves as alternate), Mayor (Township Committee member serves as alternate), and seven citizens. The Board meets on the first and third Monday of each month to conduct business and pay bills.

The library is open 59 hours per week and closed on Sundays only during the months of June, July and August.

MIS planning was integral to the design phase of the library for a more completely automated environment. This was accomplished in tandem with hardware and software purchases and appropriate staff training. The library staff currently operates on a Local Area Network utilizing Word Perfect.

The library offers an intensive schedule of programming for adults and children, including informational lectures, instructional seminars, musical entertainment and story hours.

**We commend the library officials involved for their foresight and adequate planning to meet the operational and facility needs of the programs and services.**

### **Personnel**

*Payroll:* The payroll function for the library is currently separate from that of municipal government. It has been consistently pointed out to the Montville Library that a municipal library is an integral part of the municipal government and its employees are to be reported under that municipality's reports for Social Security and pension reporting purposes. The Treasurer of the Library Board of Trustees has a specific concern about retaining some level of autonomy from municipal operations. It has been confirmed, however, that a "bureau break" can be made within a payroll report whereby library employees are reported as employees on the municipality's reports, but they will be separated from the other municipal employees.

Additional areas which could lend themselves to inclusion under township operations with little cost impact include pension plan reporting, direct deposit, deferred compensation and disability plan administration.

**It is recommended that the Library merge its payroll functions with those of the township. Cost savings of \$2,030.40 (36 employees X \$56.40 annual administration) could be achieved.**

**Cost Savings: \$2,030**

*Health Benefits:* Health benefits are currently available for individuals working 20 or more hours per week. Of the twelve individuals currently eligible, seven are enrolled in varying levels of coverage with CIGNA Insurance. An employee co-pay of premiums equivalent to the difference between the preferred provider option and the traditional plan could result in cost savings of \$2,254.

**Cost savings of \$2,254 have been identified by the team as the differential between the traditional plan and an alternate preferred provider plan. In addition, as suggested similarly in the earlier health benefits section of this report, a 15 percent co-pay of \$4,265 would result in a total cost savings of \$6,519.**

**Cost Savings: \$6,519**

*Compensation:* The pay scale shows that although the library's compensation schedule is within the range of state averages for similar population groups, hourly employees are paid below State and Federal minimum wage scales. Apparently, there have been problems both in retaining employees as well as attracting new hires due to salaries.

New Jersey state, county and municipal government employers are not required to abide by the New Jersey State Minimum Wage Requirements. The prevailing wage is thus set by Federal Wage Standards which is \$4.75 per hour as of August 20, 1996. Another increase to \$5.15 per hour will be phased in effective August, 1997.

The staff of 36 individuals are all currently classified under Civil Service titles by the N.J. Department of Personnel. In addition to the previously mentioned difficulties in hiring and maintaining qualified staff, there does not appear to be an adequate supervisory/employee ratio for delegation of duties.

This organizational quandary is compounded by the fact that due to the library's proximity to the high school, there is an influx of students each weekday afternoon from the time that school is dismissed until parents return home in the evening (approximately 2:30 PM until 6 PM). Staffing levels are thus shifted daily to accommodate this need.

**It is recommended that the Board of Trustees consider hiring a Supervising Library Assistant for greater supervisor capability over library pages. Further, it is recommended that the Board of Trustees review the compensation levels of all employees in light of the difficulty in hiring staff.**

### **Financial**

The library is primarily funded by the required one third of a mill of equalized local tax revenue from the municipal government. This totaled \$593,132 for 1995 and was supplemented by State Aid of \$15,347. This municipal funding level is within the guidelines of state mandated tax support. If there were a change or reduction in this formula, the library's programs and activities would most certainly be impacted.

The Department of Public Works currently provides lawn maintenance and snow removal services to the library. Approximate costs are \$6,642 annually. As an in-kind contribution, this amount could be included in the total township funding required for the library and could, therefore, reduce the township's actual cash contribution.

An additional contribution made by the township is the payment of bond principal and interest for the new library building. This amount could also be considered as part of the township's required funding, thereby reducing the actual cash contribution.

The financial pressures are largely offset by a myriad of community fundraising activities. These allow the library to offer supplemental public programming and increase title purchases. The Montville Unico is a unit of a state-wide Italian-American community group which has made contributions for the purchase of materials on Italian culture. Rosalind and Anthony Pio Costa are local beneficiaries who were responsible for construction of the conference center adjacent to the library. They have also established a grant which has allowed the library to purchase computer terminals and a public address system. The Montville Township Literacy Alliance donates funds for the purchase of materials in various collections, including adult and children's fiction, non-fiction and periodicals. The John and Mary Linda Foundation has donated funds for the purchase of materials for the Young Adult collection. The Lake Valhalla/Montville Garden Club contributes the seedlings and their own time and energy for the planting and upkeep of the flower gardens at the front and rear entrances to the Rosalind Pio Costa Auditorium. In addition, the Library has an annual fundraising drive which targets efforts for specifically earmarked projects.

**We commend the library staff and Board of Trustees on their effective efforts at obtaining funding in a variety of ways, thereby, not completely requiring tax support for its programs and services.**

**While we are supportive of the library's operations and programs, we suggest that the township require full information on all revenue sources available to the library and their potential uses prior to providing any additional funds (including in-kind contributions) beyond that which is required by statute. Further, though the township may wish to contribute more than the required amount of funding, the governing body should be aware of all of its direct funding and in-kind costs attributable to the library.**

## **AFFORDABLE HOUSING**

### **Background**

On July 2, 1985 the Fair Housing Act was enacted creating the Council On Affordable Housing (COAH) as an administrative alternative to the Courts. However, Montville Township is bound by Judge Stephen Skillman's decision of November 15, 1985, and is not under the COAH jurisdiction. The Court Order requires Montville to have 20% of its dwelling units devoted to affordable housing.

### **Township Development/Guidelines/Oversight**

There are eight condominium developments, four of which have affordable housing units in them. All developments are bound by township ordinances and receive the same level of services, whether the unit is classified as affordable or a marketable unit.

The total number of owner-occupied affordable housing units constructed to date is 136. There are 135 more units planned for the Longview complex. Montville Township also has a rental complex known as Rachel Gardens, containing 104 affordable housing units. Under the current plan, another 104 units will be added to this complex. The completion date for both projects is estimated to be December, 1999, which would bring the total number of affordable housing units to 479. This includes rentals as well as owner-occupied units. The developer/owner of Rachel Gardens has petitioned the township to reduce the number of units to be added to seven. The terms and conditions of this new proposal are spelled out in a letter dated June 6, 1996, and authored by the attorneys for the present develop/owner.

### **Application/Certification Process**

A review of the affordable housing program revealed that it is well run. A potential buyer or renter submits a preliminary application to the Housing Office for its review of income information, family size and residency status. Upon approval of the application, the potential buyer's name is entered on one of two waiting lists, the primary one being Montville residents and a secondary list for non-residents.

The primary list is provided to the developer/owner when a new housing unit becomes available, whereas re-sales are handled exclusively by the Montville Township Housing Office. The secondary list is provided only when the primary one has been exhausted. The waiting lists are reviewed by the Housing Office every year to determine if each applicant is still interested in an affordable housing unit.

The current waiting list contains 990 applicant names; of these, 25 have been pre-certified. Essentially this means that the applicants have already requested an initiation of the certification process, even though there were no affordable housing units available. Upon qualifying, these names are placed at the head of the waiting list. As soon as a unit of choice becomes available, the pre-certified applicant is notified by the Housing Office by mail and by phone. Once the list of pre-certified applicants is exhausted, the remaining applicants on the waiting list are notified by mail.

The pre-certification process was initiated last year by the Land Use Administrator, who serves as the Housing Director, to expedite the certification process and to reduce the overall time for a qualified applicant to take possession of the property. This initiative, as well as the manner in which applicants are notified of the availability of affordable housing units, have proven to be very beneficial to all parties. The current number of applicants on the waiting list has been reduced by two-thirds in comparison to that of last year.

When the developer/owner receives the waiting list, he/she initiates the traditional certification process to determine if the potential buyer qualifies for an affordable housing unit. If the person qualifies, his/her application is prioritized based on income classification and type of desired unit. Once an applicant is certified either by the developer/owner for a new unit, or by the Housing Office for a re-sale, an information packet is distributed to them. Subsequently, the potential buyer must seek financing and arrange for the closing.

There is no charge to the applicant for certification. The ratio of applicants to certifications at Rachel Gardens is 3:1. At Longview, all applicants, for the most part, are certified.

### **Re-certification/Income Qualification**

The purpose of re-certification is to ensure continued adherence to the guidelines set down for affordable housing eligibility. The process of verifying the income status of a homeowner and tenant varies considerably, as do the subsequent consequences for not submitting correct information.

In the case of an owner-occupied unit, the re-certification process is not done as a normal course of business. According to law, there is no restriction on income once a homeowner qualifies and takes possession of an affordable housing unit. Other restrictions are outlined in the Declaration of Covenants, Conditions and Restrictions, which requires that the dwelling must be occupied as the primary residence, and cannot be sublet. Furthermore, the owner can only sell the property to a purchaser who has been certified and only at the established resale price.

When a homeowner deliberately withholds or falsifies information, the only recourse for the township is litigation. Typically, this problem is only discovered after a complaint is lodged by another homeowner or the Housing Office discovers this when a random check is done. When this occurs, the condo association is notified and the homeowner is asked to correct the situation or to sell the property at the established re-sale price.

The current guidelines allow for the owner of an affordable unit to pay one-third of the condo association's monthly maintenance fees. The only time this monthly fee is adjusted upward relative to income is on a re-sale, and only when the re-certification is done by the Housing Office.

The re-certification of a tenant at Rachel Gardens is done when the annual renewal lease is signed. This function is the responsibility of the owner's on-sight managing agent. The re-certification document is subsequently forwarded to the Housing Office for review.

Other than litigation, there is no penalty imposed on a tenant for deliberately withholding or falsifying information. However, if this is discovered, the tenant is either asked to vacate the apartment or is moved from a low- to a moderate-income unit. In the event the tenant no longer qualifies for an affordable housing rental unit, he/she has the option to pay the market rate as long as another unit can be re-classified to maintain the required number of affordable units.

### **Housing Committee**

The Montville Housing Committee consisting of seven members meets on an as needed basis to discuss the affordable housing issues of the township. The purpose of the committee as described in its rules and regulations, is to "monitor the occupancy, resale and rental restrictions of low and moderate income housing units." The committee is also responsible for overseeing the marketing plans, the certification of applicants, and the implementation of the affordable housing program within the township."

**The information packet given to the potential buyer should be thorough, easy to understand and up-to-date. There should be consistency in terms of the information provided by the developer/owner and that distributed by the Housing Office. An overview letter should accompany the packet which outlines the documents. Additionally, an easy-to-follow instructional sheet should accompany the packet to include information such as to what office and when documents should be returned.**

**All references to the Montville Township Affordable Housing Commission should be changed to read "Committee" as opposed to "Commission". Presently, the term is incorrect on the Preliminary Application and should be changed.**

**We recommend representation by the condo association(s) on the Housing Committee to provide input into the affordable housing process.**

**We support the \$50.00 fee being recommended by the Land Use Administrator to process a certificate of eligibility. This will be charged to the applicant of a re-sale affordable housing unit. As there were only 11 units sold over the past two years, there is not enough historical data to determine what the revenue enhancement would be over an extended period.**

**A representative from the developer/owner and the Housing Office should be available to assist the potential buyer in completing the documents.**

## **INSPECTIONS**

### **Service Orientation**

The team spent considerable time observing the operation of this department and is convinced that it makes it a priority to respond to taxpayers and contractors as customers. When applicants come into the office they are greeted quickly and given the proper forms, which are well organized and conveniently located. Personnel in the department answer questions quickly and thoroughly. Telephone calls are answered quickly and return calls are tracked and also responded to quickly. Although most of the staff work a considerable amount of time in the field, they ensure someone is in the office each day during lunch hour to cover phones and answer questions.

**We commend the staff for their efforts.**

### **Staffing**

In 1995, the Inspections Department had 4.68 FTEs (full-time equivalents) providing services related to building and construction. FTEs are calculated based on total hours worked as opposed to number of employees. Since many are part-time in this department, it provides a clearer picture of staff support rather than simply the number of employees involved. These positions include Construction Official, Building Inspector (part-time), Plumbing Inspector (part-time), Electrical Inspector (part-time), two Fire Inspectors (part-time) and clerical support referred to as the Control Person. The Plumbing and Electrical Inspectors are contracted through interlocal agreements with a nearby town. In 1996, the Building Inspector began working full-time.

The department is staffed with the proper number of people (using 1996 staffing numbers), however, there appears to be a need to re-allocate staff effort by function. If this is done, it will enhance its current high level of service to the taxpayer and reduce net operating costs by \$12,557, once the suggested cost savings and value added expense estimates are figure in.

In terms of the fire code function, we believe it is over-staffed by approximately 40% of a full-time person, or .4 FTEs. The department believes this staffing level is appropriate because of the travel time required in the town and the belief that the fire subcode effort is of a higher quality than required by BOCA Code because inspections are done twice. The township inspects once during the rough framing part of new construction and again at the completion of the job. However, the team is not convinced of the need for this staffing effort as the department could not provide evidence from any source indicating that increased effort in fire subcode inspections increases fire protection and the DCA standards already account for size of the town in terms of land miles.



The township currently has two part-time individuals working the equivalent of .71 FTE providing fire subcode inspections. Two were originally hired because one was not available on certain days. One of these individuals is also certified as a building subcode inspector and currently spends .12 FTE doing building subcode work.

The team requested that the State Department of Community Affairs apply staffing standards to the Department of Inspections. Like all municipalities, Montville reports monthly to the DCA on the number, type, and construction value of its permitting and building inspection work. The DCA has developed standards for each function required to both permit and inspect buildings, including Construction Official, Building Subcode, Plumbing Inspection, Electrical Inspection, Fire Inspection and the necessary administrative support called the Control function. These standards are based on the DCA's regulation of the building inspection and permitting function in the state's 567 municipalities, its actual provision of inspection and permitting services in 37 communities and random monitoring of staffing levels in other N.J. municipalities and a survey of staffing levels and effort in other states. The DCA will analyze staffing levels in any municipality on request and at no charge. According to the DCA, its standards are particularly applicable to suburban communities like Montville.

The team compared the DCA's analysis of recommended staffing levels in Montville to the actual levels. Based on these standards and extensive interviews with personnel from the Department of Inspections, we believe the DCA standards reasonably reflect appropriate staffing levels.

**Based on the DCA's standards, our interviews with department personnel and absent any documentation to the contrary, we recommend that the fire subcode effort be reduced by .4 of an FTE. This will reduce costs by \$13,893. We further suggest that the township reconsider the need to perform inspections twice, in light of the lack of evidence proving its benefit.**

**Cost Savings: \$13,893**

**The staffing standards also indicate that the control function should have 1.7 FTEs. This function has apparently been understaffed for some time. Montville currently has 1.3 FTEs working in the control function which suggest an under-staffing of .4 of an FTE. Unfortunately, however, this 1.3 FTE effort in the control function includes several subcode officials who work the equivalent of an additional .3 FTEs because of the under-staffing in the control function. The cost of this .3 FTE effort is \$22,410, including fringes. This work includes retrieving records, filing, taking overflow phone calls, or providing information to individuals who come to the department. This .3 amount of effort plus an additional .2 amount can be completed by an additional clerical position. This would allow work to be completed more efficiently and without backlog. If a part-time clerical position was added to this function, the approximate cost would be \$13,000. This cost, however, would be more than offset by the current productivity value of \$22,410 for subcode officials performing clerical work. In addition, this position would provide a further control function of .2 FTEs than is now**

**being provided. This staffing level should be monitored to ensure that all control work is completed in a timely fashion, including the monitoring of open permits.**

**Value Added Expense: \$13,000**

**Productivity Enhancement: \$22,410**

**In addition, this .5 FTE could be combined with additional clerical support needed in Land Use/Planning (as discussed below) to hire one full-time person.**

**Staffing levels in this department should be reviewed again for appropriateness once the heavy period of growth has slowed to a more manageable level.**

### **Application Process**

Whenever someone in Montville Township wants to construct a new building, modify an existing one, build a swimming pool, or do any other significant work related to building and construction he/she must apply to the Department of Inspections for a permit prior to beginning the work. The permitting process begins with the department providing the applicant with the necessary forms to complete. Once the forms are properly filled out, the department gives the application to the various other municipal departments or authorities who must each grant their approval before the Inspections Department can issue a permit. Some of these municipal entities include the Municipal Utility Authority (M.U.A.), Zoning Officer, Department of Engineering, and Health Department.

The Department of Inspections provides quality service to applicants by maintaining a log which tracks each application through the municipal review process. The log shows which municipal entity has the application, when they received it and the date it was returned to the Department of Inspections. The applicants gain because they only have to make one phone call to the Department of Inspections to find out which department has the application and how long it has been there. Without a log, the applicant would have to call each entity to track down the application. This not only frustrates the taxpayer or contractor but makes unnecessary work for each department which must search through its files to determine the status of the application.

While this log benefits the township and the taxpayer, for little or no money this log could provide even more benefits by helping the municipality manage the entire construction permitting process. Montville does not use the data from its log to produce summary reports that indicate either the average amount of time each entity takes to review applications or the average amount of time required for applicants to go through the entire process of receiving approvals from all municipal entities. The team realizes that each application is unique and, therefore, the amount of time required to review the application varies. However, tracking review time for each entity as well as the entire process, will enable application categories and standards to be developed for varying types of applications. Without monitoring application processing time, this will never be identified. Moreover, monitoring this time enables each entity to accurately inform applicants of expected review time, helps to focus employees on completing application reviews as soon as practicable, identifies any applications that may

have been delayed, and enables each entity and the entire township to be held accountable for processing applications within reasonable, agreed upon time standards.

The information needed to provide this tracking is currently available on the log. The department would need to automate the information, however, in order to produce summary reports, but this could be accomplished using the current “Q & A” flat file data base. If the Department of Inspections is going to coordinate this effort, the control person would need to be trained to use this data base.

**The township’s management of the permit application process is already well done. We suggest, however, that it could be enhanced through greater utilization of the existing automation to provide informational summary reports. This will enable the township to provide even better service to taxpayers and contractors.**

### **Construction Permit Management**

As noted above, the department does an excellent job of monitoring applications for construction and alterations. However, once the application has been approved and the permit issued, the department does a poor job in monitoring permits that have been open beyond a reasonable period of time and it fails to log when closed permits are sent to the Tax Assessor’s Office for the purpose of updating tax records. Because of this lack of information, the Team was unable to document the time it took to review these records and update tax files.

Permits that have been open beyond a reasonable time period may be for construction projects that are complete, but for which permits have not been closed. Failure to close out open permits could result in the township’s loss of tax revenue from not updating tax records to reflect accurate tax values (the township has two years to complete this process). The department currently identifies such permits by a haphazard review of records or by happening upon a completed project when they ride through town on other work. The team believes this process should be more systematic by printing “exception reports” from the Uniform Construction Code Activity Report System (UCCARS) on permits that are open beyond a reasonable period as determined by the township.

The team joined the Building Inspector while he completed field visits to 12 sites with permits that appeared to be open beyond a reasonable time period, or were recently closed. The sites were single family homes and one commercial property. In all cases, the open and closed permits were appropriate. However, the Building Inspector noted one inground pool that was not on our list but it appeared to be complete. The permit for this pool was not closed out. The team did not expend additional effort to document the dollar value that would be gained from more systematic review of open permits. We simply believe that relying on memory and informal, rather than systematic reviews of open permits will eventually lead to lost revenues.

**The department should maintain a log of when it sends closed permits to the Tax Assessor’s Office. This will provide a needed level of processing control.**

**The department should use the UCCARS system to monitor open permits. This is accomplished simply by using the existing report writing capabilities of UCCARS. In addition, the Control Person and one back up person should attend the UCCARS one day, no cost training program offered by the Department of Community Affairs to become more familiar with the full range of UCCARS capabilities.**

## **LAND USE**

### **Staffing**

This function is directed by a full-time land use administrator who is assisted by one secretary and .25 of the Zoning Officer's time for help with land use/planning research. The Land Use Administrator has led the township's land use planning efforts since 1989. Although this person is not a certified professional planner, she has extensive municipal land use planning experience, teaches planning courses for Rutgers University, and is involved with Rutgers and the N.J. Department of Community Affairs in developing certification courses for "Planning and Zoning Secretaries" and "Land Use Administrators."

The Land Use Administrator spends 50% of her time coordinating and processing development applications and 50% on land use policy and procedures, situation problem solving and coordinating with other municipal departments and entities, such as engineering, construction, and the planning and zoning boards.

However, approximately 25% of the Land Use Administrator's total time (equally divided between both major functions) could be done by a trained clerical person using comprehensive guidelines as discussed below. This work involves answering general questions from individuals referred to by the Receptionist at the front desk. According to the Land Use Administrator, with some training and guidelines, the Receptionist could answer almost all of these questions. In fact, the Administrator is developing guidelines for the general public to explain the appropriate process and identify the applicable department involved for particular activities. As discussed later in this report, the Zoning Officer also spends considerable time answering general questions from citizens. The guidelines will reduce this effort too.

If this portion of the Administrator's time were available for more appropriate work, the Land Use Administrator could complete the following: develop more county, state, and federal grant applications, strengthen zoning control by developing more specific zoning goals, update or modify ordinances, and further streamline the regulatory process.

**The township should expedite the development of the guidelines that will answer general land use/planning and zoning questions from citizens and train the Receptionist to use these guidelines to direct citizens to the appropriate entity. This will enhance productivity of the professional staff by the salary difference between the Land Use Administrator and the added value of the .25 increased receptionist effort which is \$11,577. As discussed later in this section, the Zoning Officer spends more than one third of his time answering general questions unrelated to specific zoning applications.**

Combining this clerical effort of the Zoning Officer effort with the .25 Land Use Administrator's clerical effort indicates the potential benefit of utilizing a trained clerical position to assume at least a portion of these non-technical duties. This would free up the Zoning Officer's and Land Use Administrator's time for more professional work pursuits.

**Productivity Enhancement: \$11,577 in professional staff time**

The Land Use Administrator's secretary spends 40% of her time copying and mailing out meeting information. This work could be done by adding a part-time lower paid person to complete this work at an approximate cost of \$13,000, but would provide a productivity enhancement of approximately \$5,000 for the current secretary. This would allow the secretary to be trained to assist in completing preliminary reviews of development applications and take on more administrative work. This part-time new clerical position could be combined with the part-time clerical position recommended earlier in the Department of Inspections to enable the employment of a full-time person. Hiring a full-time person, rather than two part-time individuals, would enable one individual to gain an overall familiarity with construction and land use/planning which will be helpful in meeting the needs of both part-time positions.

**Value Added Expense: \$13,000**

**Productivity Enhancement: \$5,000**

Since the full-time planner is not certified, the township secures the services of a certified planner on an as needed basis. In 1995, these charges totaled \$16,332 and were incurred because of the Master Plan update of the elements of housing, land use and Master Plan summary. In 1996, the amount budgeted is \$11,000. The consultant planner normally provides technical plan reviews of development applications and updates the Master Plan.

### **Planning**

Montville's planning function is comprehensive, coordinated and uses current data in developing its master plan elements. This comprehensiveness, timeliness and integration is indicated by the following:

1. Zoning and land subdivision regulations are based on and support the implementation of the Land Use Plan.
2. The Land Use Plan was adopted in 1993 and amended in June, 1995. The Circulation Plan and the Community Facilities and Open Space Elements were adopted concurrently with the Land Use Plan. All of this effort was based on a 1990 study of the current development in the community.
3. The Land Use Plan is based on water and sewer development plans of the Municipal Utilities Authority. This integration was formalized in a joint resolution by the Township Committee and the M.U.A. in 1985 and modified by the M.U.A. in 1992.

4. Other components that were developed earlier were incorporated into the Master Plan. For example, the Historic Preservation Element was adopted in 1988 and amended in 1992 and the Recycling Element was adopted in 1988.

5. Other municipal commissions and committees routinely provide input, coordination, and enforcement. Examples are the Economic Development Commission, the Design Review Commission, the Environmental Commission, and the Department of Health.

### **Planning Methods**

In addition to the traditional ways of meeting community needs and protecting resources, such as zoning, subdivision regulations, and various commissions and committees, the township uses creative methods to carry out the Master Plan. Examples are presented below.

The community places high priority on preserving open space as a way to guide development in the community and retain its current character. The open space program currently has close to 359 acres. To support this program, the municipality has an “Open Space Tax” which was passed by voter referendum approximately eight years ago and brought in \$94,815 in 1995.

The township created a Critical Water Resources Overlay zoning district to protect the Towaco Valley Aquifer. This aquifer is the township’s sole source of potable water. The overlay helps to protect the aquifer by applying either higher development and construction standards or increased levels of review for any building or development proposals. This zone is coordinated with existing planning, land use, and zoning ordinances.

The township’s creativity has been acknowledged by its receipt of awards from the major organization representing municipal level planning in New Jersey. Each year, for the past five years Montville has received awards from the New Jersey Planning Officials’ organization. The latest award is for the “Save Turkey Mountain” program. This program sold citizens honorary deeds for one yard of Turkey Mountain. The amount of money raised was matched by the township, the Morris County Park Commission and the Valhalla Civic Association. Currently, the preserve is 850 acres, this program’s goal is to add another 100 acres.

Other awards received were for the Montville Community Park. This park is the cultural and recreation center of the town. It was planned and designed in concert with its immediately adjacent neighborhoods, the existing high school, a new library, and the senior citizen community. Each of the components are designed to compliment one another.

**We commend the township on its creative and effective methods of preserving and protecting its resources and community character.**

### **Office of State Planning Review Service**

The Office of State Planning offers municipalities a variety of free, advisory services. This work is completed by certified professional planners and can be either an informal, brief review or formal, more technical reviews.

Montville has not availed itself of this service. Given the rapid growth experienced in this town, we believe the township might benefit from an independent review of its planning efforts.

**Though we believe the township has a very strong and effective planning strategy, we suggest that township officials request a meeting with the Office of State Planning to explore the various services available that may assist the township in its local planning efforts.**

### **Record-keeping**

Up to 1992, the records on development applications were kept manually in separate books. The secretary is trying to consolidate these records in one sourcebook, however, this effort is only partially complete due to limited staff time.

In 1993, the department began using land use management software system purchased from a private vendor. However, the department enters only partial data into the system because of limited staff time. For example, some dates are left off such as when the Planning Board requested additional information and when it was received. The software support for this product is inadequate and the department is trying to find new software. The data on this system is backed up approximately every three months and the backup is not stored offsite.

The Land Use Department is in the process of consolidating its development application records with the Department of Engineering. This consolidation is occurring because the information is essentially the same in both files.

**The earlier recommendation to reduce the Land Use secretary's clerical burden through the addition of part-time clerical assistance should enable the department to begin maintaining more complete records. However, the township should engage a computer expert to assess the department's needs for land use software, make recommendations for new software or explain how to obtain support for existing software, and make recommendations regarding backup and off site storage procedures.**

### **Bookkeeping**

The Land Use Department receives bills and checks as part of its work with the Planning Board and the Board of Adjustment. Most of these checks are from developers who maintain escrow accounts to pay for work related to reviewing development proposals. The bills come in from the professionals who review developer proposals at the direction of the municipality. There are 300 total escrow accounts (200 maintained for the Planning Board and 100 for the Board of Adjustment). Of the 300 accounts, approximately 110 have activity in any one year. To account for these checks and bills, the Land Use Department maintains two sets of manual cash books and ledgers - one set for the Planning Board and the other for the Board of Adjustment.

The Department of Finance also maintains manual ledgers on these same accounts for several reasons. First, it is responsible for all financial operations in the municipality. Secondly, the Department of Finance indicated that it cannot take complete responsibility for these accounts because it lacks certain knowledge and expertise such as the amount of costs to charge developers. Maintaining two sets of financial records on transactions for the Planning Board and the Board of Adjustment is a duplication of effort.

The personnel who maintain these duplicate books have met periodically to reconcile selected accounts, however, both sets of books have never been reconciled for all accounts. Approximately, one week of full time effort would be required of both people to reconcile these books. The Land Use secretary estimates that once these books are reconciled it would take only a few minutes each month to reconcile each of the 110 active accounts.

Maintaining manual financial records, especially two sets of books, is an inefficient use of staff time. Automation could eliminate manual record keeping as well as link the two departments so they can share financial information. However, the township has not completed a comprehensive review of their data processing needs.

**The data processing review effort currently underway should include a bookkeeping system for Land Use and Finance so that financial records are no longer kept manually. The two departments should determine how to coordinate the financial work between them in a way that eliminates the need to maintain two sets of books, yet provides the Land Use Department with timely financial information.**

**Eliminating duplicate record keeping will reduce costs by the amount of staff time it takes to reconcile these two sets of books. This time was estimated to be 4% of the Land Use secretary's time. The total productivity enhancement is \$1,542.**

**Productivity Enhancement: \$1,542**

## **ZONING**

### **Staffing**

In 1995, the zoning enforcement function was staffed by a part-time person working 16 hours per week. The Zoning Officer indicated that 16 hours was inadequate to complete all of the work required of the position. For example, the official has no reports readily available on the number of applications processed, the number of enforcement and property maintenance reviews completed, the number that were issued summons, and the number that went to court. In May, 1996 the Zoning Officer's hours were increased to 24 per week. The Zoning Officer indicates that this time is adequate to complete the required work.

**We concur that the staffing level is currently adequate.**

### **Data Processing**



The Zoning Officer is currently using the Q & A data base to log most of the information outlined above. At the Local Government Budget Review team's suggestion, the Zoning Officer is now backing up the data on his computer.

**The Zoning Officer should back up his zoning data on two separate diskettes. One diskette should be kept off site for safety purposes.**

### **Functions**

Our discussions with the Zoning Officer indicate that he spends approximately 20% of his time (249 hours per year) completing enforcement and property maintenance work. This work is almost always initiated by telephone complaints from citizens. After the complaint is received, the Zoning Officer completes a field inspection. When a violation occurs, a photograph is taken and a certified letter is sent to the violator. In about 65% of the cases, the violator fixes the problem at this point.

Thirty five percent of the cases, however, require additional steps, including the issuance of a summons, a court appearance, and the assessment of fines. This minority of cases takes about 55% of the total enforcement effort and costs the township about \$2,800 in staff time per year. The Zoning Officer does not track the amount of revenue brought in through fines and court costs, but estimates it to be \$1,900. It is reasonable to conclude that the costs that the township incurs in each case should be well documented, so that the Judge has adequate information on which to base fines should he wish to equate them to the costs incurred by the township.

Discussions with the Zoning Officer indicates that he spends about 35% of his time (436 hours per year) answering general zoning questions that he receives either through telephone calls or people who come into the office. These questions usually are not related to specific zoning applications or cases.

This report noted earlier that the Land Use Administrator spent the equivalent of .25 FTE providing general land use/planning and zoning information. The report also noted that guidelines were being developed to help answer these general questions from citizens. The completion of these guidelines will enable the Zoning Officer to reduce his workload by 35% or 436 hours per year. This reduction will enable the Zoning Officer to complete work not currently done, such as inspecting for zoning violations rather than simply responding to complaints, completing additional land use/planning research for the Land Use Administrator, and managing the zoning function such as streamlining the processing of construction applications and enforcement and property maintenance cases.

**We suggest that the Zoning Officer develop a method to easily track the amount of effort that goes into each code enforcement and property maintenance case. This information should be provided to the Judge for consideration when setting the fine amount. If fines imposed were to reflect actual costs incurred, an estimated \$1,000 could be generated based on the cost of staff time.**

**Revenue Enhancement: \$1,000**

**The township should ensure that the guidelines that will be developed by the Land Use Administrator clearly address all the general zoning questions currently answered by the Zoning Officer. Having a clerical person answer these questions will reduce costs to the township by \$1,700, which is the difference between the value added cost of the \$16 per hour rate (with benefits) for a clerical person and the \$20 per hour rate for the Zoning Officer.**

**Productivity Enhancement: \$1,700**

## **POLICE**

Montville is primarily a residential community with a relatively low overall crime rate of 24 per thousand and a violent crime total of three in 1994 and one in 1995. The town covers a large area of approximately 19 square miles and there is still a high percentage of undeveloped land. It can be expected that Montville will continue to grow at a rapid rate and the police department must streamline and focus its efforts to assure that, as an organization, it can respond to the changes it has and will continue to encounter in its community.

The Police Department budget comprises more than 20% of the municipal operating budget and, as such, careful management and allocation of police resources will have a significant impact on the overall cost of municipal operations in Montville.

### **Mission**

Through speaking with staff, observing operations and reviewing the organizational structure, it is clear that the most critical issue facing the Montville Police Department is the absence of a clear, well-defined and well-communicated mission that provides focus and direction to the organization. The department appears to be grappling with this difficult issue in an incremental, disjointed manner because, as is typical with service organizations, they are so caught up in getting through day to day demands that they lack the time to reflect on the larger picture. This can be seen in the department's request for additional staff, many of which were designated for functions classified as "community policing." At the same time, however, patrol staffing is limited in number on a day to day basis, and the service orientation of the staff has been observed to vary from accommodating to rude, depending on which police officer is involved in any given situation. The team, in fact, observed several incidents of rude behavior on the part of certain officers. The result of an apparent lack of mission is a fragmented, unfocused organization which is currently getting by but will not be able to maintain a reasonable level and quality of service and responsiveness as the community continues to grow and change. It is the team's position that, in a town such as Montville, which is growing and has a relatively low incidence of crime, the orientation of each police officer should be community service defined in the broadest sense.

**Acknowledging that the team cannot dictate what amounts to a basic philosophy of an organization, and acknowledging that defining a mission is a complex matter, it is our recommendation that the Police Department take time to go through a strategic**

**planning process that will result in a clear statement of mission based on input from all levels and functional areas of the organization, as well as key stakeholders such as elected officials, township administration and the public, including the youth. Once a mission is clearly defined and communicated, goals and objectives can be developed to direct each aspect of police operations.**

### **Organization**

Police service is one of the significant points of contact between a local government and its citizenry. As such, police represent a significant resource for affecting the community's perception of its government; they can be integral to establishing a sense of community in a municipality. This potential role of a police department becomes critical when a community is experiencing rapid change - it can be the very element that smoothes and supports the transition.

For this reason, we commend the department for its attempts at community policing. However, we are concerned by the continuation of a fragmented approach that includes further specialization of limited departmental resources. In reviewing the organizational structure, we conclude that to have the responsive and versatile police department needed in a rapidly growing and changing community, the majority of the resources must be concentrated in the front lines ... patrol. To accomplish this, we recommend that many responsibilities being assumed by in-house officers be given to a strengthened operations unit which would consist of investigations, traffic and patrol. The specific recommended changes are outlined below and are diagrammed in Appendix B.

### Operations Division

*Lieutenants:* The current organization has five lieutenants. One is in charge of Investigations and four are designated as squad commanders. The squad commanders sit with the dispatcher and, according to one of the lieutenants, are required to be on the desk for the entire shift, except for meal break. The reason to have a squad commander available in such a way would be to provide supervision and guidance in the event of very serious incidents. Given the nature of the crimes in Montville, the size of the force and the population, this degree and level of supervision is unnecessary and it is our observation that, in actuality, the lieutenant serves as a back up dispatcher.

**We suggest a reduction in the number of lieutenants from five to two and suggest making them responsible for two squads - the day squad and the night squad on their rotation. They would work a similar schedule as patrol with four 12-hour days on and four 12-hour days off on a separate shift that would appropriately overlap both patrol shifts and cover high volume periods. We acknowledge the fact that there will be 12 hours per day when no lieutenant is on duty, however, we believe that sergeants could effectively handle the provision of detailed police assistance to the dispatchers in critical circumstances, at the very least until a higher ranking officer, up to and including the Chief, could be brought in. We further suggest their responsibility be defined as the coordination of all activities relating to the public and direct supervision and**

**development of the officers. They would coordinate all other service activities, such as warrant, traffic, and community relations with the patrol sergeants.**

*Investigations:* The investigations unit currently consists of a lieutenant, a sergeant, and two detectives. At this point in time, a part-time clerical assists with investigations paperwork. A fifth police officer is fully responsible for warrants. We believe that the level and duplication of supervision in this unit is unnecessary.

**We recommend that the detective unit assume responsibility for warrants. The reconfigured investigations unit will have a sergeant who carries a case load; three detectives, one of whom is trained and responsible specifically for juvenile cases; and a full-time clerical who handles all warrant and other investigation-related paperwork. Patrol could be used to serve warrants in routine situations. The detectives should be scheduled to assure best possible coverage of all shifts, i.e., the sergeant and juvenile officer work alternating days and the other two detectives work alternating and overlapping evening shifts.**

*Traffic:* The traffic unit, which currently consists of one sergeant, is responsible for fatal accident investigation, traffic surveys, plan review, vehicle maintenance, crossing guard deployment and other traffic related responsibilities as they arise. The current departmental plan is to add the already approved two new officers to the traffic unit to provide additional support and more shift coverage.

**We suggest the assignment of a sergeant and a police officer to the traffic unit. The Traffic Unit Sergeant would direct the work of the Traffic Unit Officer, as well as the crossing guards. In addition, the Sergeant would more aggressively review accident, traffic and complaint trends and direct traffic related patrol operations through the appropriate lieutenant. Each squad would have one officer who is also trained in traffic, to be used for traffic related investigations or emergencies in the absence of, or in addition to, traffic unit officers. The two traffic officers would be assigned to work opposite four on, four off shifts to assure the greatest amount of first line traffic coverage.**

*Patrol:* Patrol currently consists of four squads with four officers, a sergeant and a lieutenant. Turnover, vacations, workers' compensation and a variety of other factors in place during our review period, created a situation in which the department lacked adequate coverage of the zones and there was no "on the road" supervision. There are three zones and, when possible, a fourth zone is created in the Pinebrook area. We believe that there is logic to breaking out this section as a separate zone and have, therefore, performed our evaluation based on four zones, however, staffing rarely allowed for coverage of more than three.

The reconfigured Patrol Unit that we suggest would consist of four sergeants and 24 patrol officers. Five officers would be required in each squad to maintain coverage of four zones at all times, however, the reconfiguration actually allows for six patrol officers in each squad. Having six officers will allow each squad to be responsive to the public and to create the image of a citizen-friendly department that has time to respond to non-emergency citizen

matters. The team believes strongly that their responsibilities should include crime prevention activities as suggested and recommended by the Community Relations Sergeant (see below) through one of the appropriate Operations Lieutenants. These responsibilities include, but would not be limited to, school programs, home security surveys, house checks, and any other activities that will enable them to become more familiar with members of the community as part of routine patrol operations. This is the community policing effort that we believe would be most beneficial in the community of Montville, not the specialized efforts of a few officers.

**This organizational structure could theoretically allow for a reduction in staff of two. However, given Montville's continuing growth and the fact that the officers are already on staff, we do not recommend such a reduction at this time. Instead, it is recommended that patrol officers be given an opportunity to do rotations in investigations and in traffic in order to improve their ability to handle investigation and traffic situations as patrol officers.**

#### Services Division

Our reorganized Services Division would consist of records, dispatching and community relations. Specific recommended changes in the configuration of these functions are as follows:

*Records:* The records function currently consists of a patrol officer and 2.5 clericals. Staffing seems high, but there is currently a backlog and 1.5 of the clericals were hired through grant money to address the backlog. This was intended to release uniformed officers so they could spend more time in the community.

**The Services Unit Captain is ultimately responsible for records including operation and utilization of any automated information systems. We suggest that the uniformed computer officer be returned to patrol and that staffing levels be monitored to assure maximum productivity.**

*Community Relations:* Community relations currently consists of two very dedicated and enthusiastic patrol officers. It is the team's contention, however, that in a community such as Montville every patrol officer should be dedicated to positive and enthusiastic community relations. This, however, is currently not the case. The variation in the patrol officers' attitudes is significant ... one patrol officer was commended for his enthusiastic participation in the ticketing program for children with helmets, while other patrol officers were described by more than one person as refusing to participate, stating that the function is not part of their jobs.

**We recommend a change in staffing so that community relations is staffed, coordinated and directed by a Community Relations Sergeant. The Community Relations Sergeant would be responsible for the special police, explorers and all DARE activities. This individual should hold the rank of sergeant to recognize the pivotal role community relations plays in performance of police functions in Montville, and to have that individual relate equally with squad commanders and provide community relations**

input to patrol operations by communicating through the Operations Lieutenants. Further reduction in staffing from two uniformed officers to one recommended for this function recognizes the need to improve the emphasis on community relations occurring in day to day patrol activities.

Several initiatives have been proposed that would further fragment and remove community policing from routine patrol, including the establishment of satellites in the business district and the school district. The Team urges the administration not to implement such measures. We believe that a fourth zone and increased availability, friendliness and involvement of all patrol staff will more effectively meet community relations needs.

*Dispatch:* The team believes that the current system for covering dispatch constitutes an inappropriate use of human resources. The watch commander, a lieutenant, is assigned to the dispatch desk for all but the 90 minute dinner break of the shift, for back up and provision of technical support to the dispatchers, as needed. The lieutenant also serves as the only dispatcher from 11:00 PM to 7:00 AM. The rationale for this was to have someone available to make decisions regarding critical situations as a point of control. Professional, well trained dispatchers are capable of making many of the decisions that need to be made on a call, but should be able to contact the Sergeant on duty for more complicated calls when needed. The team contends that, for the particular days and times observed, there was a need for two people on the desk. Evening hours observed were on a Court night, which added to the work load, but even without that work load there was a need for two people at several points in time.

We suggest that the township staff dispatch with two civilians on the desk from 7:00 AM to 11:00 PM, and one civilian dispatcher on the desk from 11:00 PM to 7:00 AM. A patrol officer in each squad could be trained for dispatching and assigned to the desk if necessary to provide emergency assistance while still maintaining appropriate zone coverage. Two part-time dispatchers could be hired to alternate weekends and fill in as needed throughout the week for an average maximum of 19 hours per week. To accomplish this, the township would be required to hire four additional full-time and two part-time dispatchers. This new schedule would enable them to contract to answer the calls of one or two of the four departments on the same radio frequency as Montville. For example, if Montville answered calls for Boonton and Lincoln Park, the number of calls per dispatcher would still be less and the township could charge a total of at least \$128,428 for the 14,728 additional calls. This total is based on the current cost per call in Montville. We have not included in this recommendation the value of the lieutenants' time that will no longer be required for dispatch duties, since we have already accounted for an overall savings to the township by the reduction in lieutenant positions from five to two. The township should, however, keep in mind that this recommendation also eliminates the ineffective use of higher ranking staff.

Revenue Enhancement: \$128,428

Value Added Expense: \$93,351

**As an alternative to the above recommendation, we suggest that the township pursue the possibility of utilizing the county for dispatch services. Based on our discussions with the county regarding current contracts it has with seven municipalities, we estimate that the cost to Montville for dispatching services would be approximately \$127,000 plus \$1,000 each for fire and ambulance vehicles (a figure which was not available to us). Based on 1995 salaries alone (excluding operating expenses), the 1995 cost of dispatching services was approximately \$401,903 for dispatchers and lieutenants. Possible savings, therefore, could be \$274,903, less the cost of dispatching services for ambulance and fire vehicles. Because we have made other substantial suggestions for organizational change in this department which we feel should still be considered, and because there would be a number of matters to be worked out in detail between the county and the township before this change could be accomplished, we have not included this potential savings in our summary. We do, however, suggest strongly that the township consider this alternative when reviewing our other recommendations.**

### **Schedule**

It has become more common for police departments to change from traditional schedules to unorthodox schedules. The Montville Police Department changed from a schedule that totaled 36 hours less than the normal work year of 2,080 hours to a 12-hour day, four on, four off schedule that actually requires 120 hours more per year than 2,080. This new schedule became effective as of January 1, 1996.

There are, however, reasons to be concerned about the 12-hour shift with four days on and four days off. First of all, it effectively creates two separate departments since there is no squad overlap. This, in turn, creates communication hardships. Secondly, if not monitored and effectively managed, this schedule may actually encourage sick time abuse by making it more attractive to add sick days on to the normal four days off to create longer absences. The accounting for time off must be carefully addressed so that the change in schedule does not effectively provide for a greater leave allowance because a "day" is now equivalent to 12 hours and not to eight as it is under other schedules. Thirdly, a significant set of objections to the 12-hour shift relate to the fact that it can lead to an increase in accidents due to exhaustion or boredom from the length of the shift.

During 1995, the average sick time used was eight days. Eleven officers, however, used more than nine days. Sick time has a serious impact on schedules and costs because it frequently triggers overtime. The department has a contract incentive of one vacation day for a perfect attendance record. A contract provision requiring a doctor's note after using more than ten sick days is not enforced.

Montville has addressed two of these concerns through the rearrangement of squads each year to keep them from becoming too separate and the incorporation of language into the labor contracts which changed the calculation of leave time to hours, instead of days. This provided that there was no resulting increase in actual time off.

The recommended organizational changes, the development and implementation of a mission and related goals and objectives, the development and consistent enforcement of policies, and the rearrangement of squad assignments every year can affect a cohesive approach to law enforcement in the community in spite of this schedule.

In addition, the township included in the contract, language which explicitly maintains management's prerogative regarding the schedule. It is imperative that management retain this control and actively evaluate the efficiency and effectiveness of all schedules.

As stated earlier, the amount of sick, vacation, and personal time does not change and is provided for at the same number of hours as on the previous schedule. Schedule Adjustment Time (SAT) is the time accumulated from working more than 40 hours per week, due to the schedule configuration. This amounts to approximately 120 hours per year and is used as an addition to vacation days and thus is scheduled the same way vacation days are scheduled.

It is possible that the new schedule can lead to increased overtime because one absence will trigger 12 hours of overtime. It is also possible that 12-hour shifts can leave a department in a bind for replacing absences because it is not acceptable for officers to work 24 hours straight.

**The department is to be commended for adjusting sick and vacation time usage to ensure that it is taken in hours as opposed to days so that the schedule change did not cause an incremental increase in time off. It is also commended for having contract language which preserves management's ability to vary the schedule as appropriate.**

**We suggest that the department enforce policies regarding the appropriate use of sick days. Management is urged to closely monitor the use of sick time, the incidence of accidents and workers' compensation claims and officer incidents to assure that the 12-hour schedule is not actually resulting in less obvious costs.**

### **Supervision**

Each squad has a lieutenant who is the shift commander and a sergeant who is the road supervisor, yet there was little evidence of any type of supervision for the days observed by the team. There was no road sergeant, the lieutenant's spot was filled by the detective sergeant and there were only three cars on the road. The evening shift was also without a road supervisor.

Almost every person spoken to had some story about end runs around existing policies or chain of command. Such practices severely undermine the ability to supervise and maintain accountability in the performance of one's duties. It is believed that the recommended organizational changes will improve this situation.

Another supervision concern for the team is that the officer responsible for records and the automation system is the person who reviews reports and corrects typographical errors. It is the patrol supervisor who should be reviewing the reports, identifying problems and working with the officer to prevent the recurrence of problems.



**We suggest the strict adherence to the chain of command to promote efficiency and eliminate the “end runs” around existing policies and procedures.**

### **Automation**

Montville is in the middle of its first full calendar year using an automated dispatch system. The system is capable of generating a variety of information that can be reviewed by policymakers and supervisors in order to better direct the activities of the force. For example, a range of trend analysis reports can be developed by time of day, day of week or by type of activity, as well as other factors. This capability is currently not being utilized. Once these reports are routinely reviewed by the leadership of the organization, refinements can be made in the scheduling of personnel to maximize their productivity.

At a cost of more than \$40,000, Montville purchased 12 laptops to use as MDT terminals to improve communications and allow officers to call in plate numbers and other information directly. After only 18 months, many were in disrepair. During the period observed, there was no evidence that they were used at all. MDTs have not been installed in the newest cars, purchased in 1995.

**It is believed that a better organizational structure and accountability on the part of the Services Captain would enable the department to use its resources more effectively.**

### **Workload**

Montville received a total of 13,212 calls in 1995, which averages to about 35 calls per day. The distribution of the calls is as follows:

Type	Number	% of Total
Traffic	3,315	25%
Administration	3,176	24%
Emergency Calls	2,793	21%
False Alarms	2,185	17%
Public & Dep't Services	1,743	13%
Total	13,212	

**False Alarms:** As shown in the chart above, 2,185 of 13,212, or 17% of all calls in Montville were false alarms. The township currently enforces an ordinance that imposes a fine of \$25 for the second alarm; \$25 for the third; and \$100 for the subsequent alarms. It was enacted in 1990 and enforced only intermittently until the Finance Department assumed responsibility for collections and billing in 1994. The collection rates for 1994 and 1995 were approximately 74%. In reviewing similar ordinances in nearby municipalities, we found that the fines levied in Montville were similar to those levied by other communities. However, it was possible to identify the false alarms as percentage of calls in a few of them and they were all significantly less than in Montville. In Randolph, for example, false alarms represented 6.7% of the calls and in Morris Township false alarms represented 2.3% of the calls.

**In order to improve collection rates and reduce the number of false alarms in Montville, the following alternatives are recommended:**

- **charge a late fee for all bills not paid within two weeks after the second notice; and/or**
- **enact an ordinance similar to the one in Randolph which calls for the issuance of a summons if a fine for a false alarm goes unpaid for a certain period of time; that way a court appearance is required if the fine is not paid.**

**It is expected that a stricter collection policy would increase collections to more than 95% by an estimated \$10,000 and would improve the capacity of the department to provide more productive service by decreasing the number of false alarm calls.**

**Revenue Enhancement: \$10,000**

### **Overtime**

*Sick:* It is believed that the recommended organizational changes, including stronger patrol staffing, scheduling a maximum of one person out on vacation per squad and retaining control over the schedule, will all work together to minimize overtime triggered by sick time. In addition, as the use of sick time does not automatically trigger overtime, it may be that the use of sick time will decline.

*Court :* In 1995, Court overtime represented 21% of all overtime and will cause an estimated 27% of the overtime in 1996. When court night was observed, several officers were waiting to be called for court and at least one came in on overtime and was never called.

**The Police and the Court are urged to work together to schedule court appearances by police in conjunction with their work schedule. One method used successfully elsewhere in Morris County is not only to schedule the cases for when the officer is scheduled, but also to schedule cases in two hour time slots to limit the time they must be available. If an officer is scheduled when on duty they should be able to get into the court in less than ten minutes so the officer could continue to patrol and be productive until such time as the officer needs to appear. Reduction of court overtime by just 50% would produce a savings of approximately \$8,500.**

**Cost Savings: \$8,500**

### **Training**

Records indicate that all necessary training is undertaken, however, it appears that some additional enrichment training is made available to few officers. The one type of training that appears needed for all, is customer service training that will teach all members of the Police Department to better deal with the public and project a more positive and helpful demeanor.

**We acknowledge the difficulties involved in scheduling training to accommodate shifts, however, the Services Captain is encouraged to develop a methodical procedure for assuring that all patrol officers have an opportunity to participate in enrichment training.**

## **FIRE**

Montville operates three fire districts with all volunteer fire fighters and some paid fire officials. The tax rate for each district averages .10. Looking at the rate in terms of delivery of municipal services, this represents 16% of the municipal tax levy, which is .51 in 1996. Capital debt related expenditures, which are by their nature, long term represent approximately half of the total annual expenditures of the fire districts.

Generally, the Team believes that volunteer fire districts are commendable and to be supported. However, this must be balanced by strong accountability to the residents and taxpayers. Because the fire districts' tax levy represents a significant proportion of taxes raised for the delivery of municipal services, and because a large proportion of expenditures are for investment in capital, it follows that the municipality must assure a high degree of accountability. The municipality should also consider the fire districts' expenditures in relation to the entire municipal budget to generally determine their relative appropriateness. Since voter turnout is typically extremely light for fire district elections, it behooves a municipality to maintain some general oversight of the fire district tax levy on behalf of the taxpayers.

In an effort to provide township officials with some idea of how the fire service costs in their municipality compare to others, the Team examined the costs and, to a limited degree, the quality of Montville's fire service. We compared Montville's fire service costs to eight other towns that were similar in terms of key fire service factors, namely size of population, square miles, population density, and the percentage of the town's parcels that were commercial, industrial and apartments.

Montville and one of the other eight towns are served by fire districts; the rest by municipal fire departments. Each fire district creates its own annual budget and submits it for voter approval. Once the budget is approved, the district is authorized to impose taxes on citizens to fund the budget. The team combined the costs of these separate fire districts for comparison purposes.

We examined one measure of the quality of fire services by using the fire department ratings developed by a national organization that rates fire insurance risk. These ratings are widely accepted throughout the insurance industry and are used to set fire insurance rates in each municipality. No other activity related data was available because only one of the nine towns reports to the Fire Incident Reporting System maintained by the Department of Community Affairs. This is a voluntary system for reporting the incidence and type of fires, response time, and other fire related information.

Despite the data limitations, we are satisfied that we collected enough information from the nine towns to show a clear pattern of dramatically higher costs associated with Montville and the other municipality which operates separate fire districts. Moreover, we saw no relationship between the costs of fire services and fire department ratings. Looking at the total appropriations for fire services in 1996 as a percentage of the municipal tax levy for

1996, Montville and the other town with fire districts totaled 20.6% and 20.8% respectively. This compares to six other towns with a range from 2.0% to 7.2% and one town with 13.5%. In terms of total dollars appropriated for 1996, \$1.2 and \$1.3 million, respectively, were provided to Montville and the other town with fire districts. The appropriations for the other seven municipalities ranged from \$0.1 to \$0.6 million with an average appropriation of \$0.3 million.

Though our review was admittedly cursory due to time and data constraints, and the fact that we were not invited by the districts in Montville to review their operations, we contend that there appear to be substantially higher costs associated with fire services provided through fire districts versus municipal fire departments. In addition, although we could not clearly identify the capital equipment inventory for each district with the information we were provided, we believe that there could be considerable overlap in the equipment purchases of each district. A considerably more detailed examination of this situation appears warranted.

**Due to the significant cost differences in the provision of fire services through fire districts, we urge the township to review the cost of fire services further with the fire districts to determine where cost savings may be possible. Should the township not receive such cooperation from the districts, we suggest the township work to provide fire services through a municipal department instead of through individual fire districts. Fire districts can be dissolved as per N.J.S.A. 40:14-91. Based on our very basic review, Montville residents could possibly save an estimated \$756,471 on the cost of fire services if those services were provided at a level consistent with the higher rates of the other towns examined.**

## **COURT**

While the team recognizes the separate authority and responsibility of the judicial branch of government, we have made the following comments and recommendations in an effort to provide the Township with information on current and potential operations, procedures and programs available to the court. Recommendations are made with the knowledge that further review and approval will be required by appropriate judicial personnel.

### **Staffing**

The court is staffed by one part-time judge, a full-time court administrator and a full-time deputy court administrator. Presently, the deputy administrator is being cross-trained by the court administrator, to assure a smooth and consistent operation.

### **Organizational Structure**

Court sessions are held Mondays beginning at 4:00 P.M. On many occasions, court continues to as late as midnight in order to hear all the cases on the docket. In general, it appears that the municipal court is a well organized and structured operation, yet flexible in terms of accommodating the particular circumstances of its patrons.

Court proceedings start promptly and continue until all the cases on the docket are heard. The sessions we observed were conducted in a precise, orderly, and quiet fashion, which resulted in a courtroom that is virtually free of disruption and confusion. When the judge feels he needs more time to hear a case, he schedules the trial at least two hours before the regular session. In this way, those cases scheduled for the 4:00 P.M. session will not be delayed.

The judge advises defendants of PTI (Pre-Trial Intervention). This is a program administered and run by the county, which allows for the transfer of the case to County Court. In this way, the accused can work off his/her sentence through a county program that will essentially result with no official record of a crime. This is used as a rehabilitative tool which the judge believes also acts as a deterrent to future crime. It is especially aimed at the first-time offenders.

The judge suggested that a second day be added to the weekly court schedule, to be administered by a second part-time judge. One benefit of adding another judge is to provide a backup for the presiding judge. Another benefit would be to assist the presiding judge with ancillary court matters that are currently estimated by the judge take an additional twenty-five hours a week, over and above the court session time. Furthermore, the addition of a second court day and judge would provide more flexibility in scheduling cases when a police officer was on regular time, thus reducing overtime costs.

**We suggest that the Township Committee and Administrator work with the Judge in monitoring the necessity for an additional judge. We suggest that the final decision be based mainly on the court's consistent workload over a set period of time and, therefore, the Judge's determination that additional court time is warranted. Other considerations might include the frequency of need for a backup judge for any reason and the governing body's support of the ancillary programs developed and/or administered by the Judge. We further suggest that compensation for both judges, if in fact an additional one is hired, be determined based on total time required for their individual responsibilities. In terms of the ancillary matters now handled by the Judge, the governing body should determine the extent to which it chooses to compensate either judge for these services.**

### **Records Retention**

All court records are assembled and filed in a neat and orderly fashion. Hand-written reports are maintained in a complete and neat manner. Information is easy to access due to the well-organized method of storage and retrieval.

The former court administrator was instrumental in creating and maintaining more than 60 time-saving computerized forms and letters. These are used on a regular basis for the purpose of disseminating various notifications to defendants, claimants, the AOC (Administrative Office of the Courts), the State Treasurer's Office, and other state agencies. The present court administrator and deputy administrator, maintain the computerized forms and create new ones as needed. The development and continued use of these forms have contributed to a consistent and accurate workflow, while saving considerably on time spent on routine tasks.

**Workload/Workflow**

The team thoroughly reviewed and analyzed the 1995 AOC statistical and management reports to determine the case volume and percentage of cases disposed. Our analysis illustrated specifically that 384 cumulative traffic cases were pending at the beginning of December and 325 were pending at the end of the year. Furthermore, 3,729 new cases were added and 3,760 were disposed by the municipal court. The cumulative cases pending at the end of December was 15.36% less than at the beginning of the month. Moreover, 100.83% of the cases during the year were disposed of by year end.

Our analysis also revealed that 215 cumulative criminal cases were pending at the beginning of December and 192 were pending at the end of the year. There were 441 new cases added and 461 disposed of by the court during the year. Consequently, the cumulative cases pending at the end of December was 10.7% less than at the beginning of the month. 104.54% of the new cases added during the year were disposed of by year end.

This analysis clearly illustrates how diligent the judge and court staff are regarding the disposition of cases.

The 1995 audit performed by the AOC, reported that the court was “in compliance with state regulations governing the financial management of court records.” Furthermore, the report had no improvement recommendations noted, and all comments were positive in nature.

**Facilities**

The municipal court and the police department share the same building, with the desk Sergeant stationed outside the court office. The judge has a terminal installed at the bench to provide on-line, immediate access to the New Jersey Automated Traffic and Criminal Systems. However, space in the gallery is at a premium. The police have seating in the rear of the courtroom and there are two folding tables reserved for the Prosecutor and the attorneys.

The facility is very old and was not built with the intent of holding the large number of people that usually attend a court session. The gallery has folding chairs and every conceivable space is used to safely accommodate court patrons. There is no private area for the attorneys to confer with the defendants or the witnesses.

The flow of traffic can become cumbersome subsequent to the start of the court session when most people have to report to the court administrator and deputy court administrator’s office. However, their office is conveniently located directly across from the judge’s bench. This allows for a smooth flow of traffic from the courtroom to the payment window.

There have been discussions between the judge and the township committee that date back as far as 1987, regarding the construction of a new building to accommodate the municipal court operations and police department. Plans are being developed for such a building, however, no final approvals have been made concerning this issue.

**We suggest that the township committee give final approval to plans for a new police and court building as soon as possible to alleviate the poor physical conditions of the current building.**

### **Security / Safety**

It appears that the court has appropriate mechanisms in place to provide for the safety of court patrons. A police officer is assigned as court bailiff, and further security is provided by the fact that the municipal court is in the same building as the police department.

There have reportedly only been two occasions in which there was a possible threat to the security of the court and both were handled without incident.

### **Finance**

The court administrator maintains a Bail Account and a General Violations Account. Both accounts include criminal and traffic offense fines. Both accounts are interest-bearing accounts earning a fair rate of return, and maintaining a fairly low balance. The monthly bank reconciliation's are done on a consistent and timely basis. All fines collected are transferred to the township, the county, and various state agencies, no later than the 10th of the month.

**We suggest that any unclaimed Bail Account monies, as well as unclaimed overpayments to the General Violations Account, be turned over to the township after 90 days. Presently, the practice is to clear these accounts of unclaimed monies after one year. We suggest that the court administrator attempt to contact the surety or person entitled to the refund, 60 days after the disposition of the case. Subsequently, a two week period would be allowed to claim the money. If the funds are not claimed during that period, a resolution would be initiated by the court administrator and forwarded on for Township Committee action. It would describe the number of unclaimed account refunds, and their relative value. Subsequently, the township would transfer the funds to the general fund. Funds, however, would always be made available for refund if claimed at a later date.**

This practice would significantly reduce administrative overhead from the municipal court staff. Presently, the carryforward of unclaimed bail money is recorded in the bail book for as many as twelve months. Additionally, the outstanding check is recorded every time the monthly bank reconciliation is done. In 1995, a total of \$ 4,000 was transferred to the township's general fund. Assuming these funds were transferred at three months instead of twelve, we estimated \$135 of potential additional interest earnings, based on an annual net average of .04433%, which was paid in that year. While we realize this is not a significant amount of money for Montville, it does reduce administrative burdens.

### **Collections/Fines**

The team analyzed the 1995 statistical reports that illustrated the fines imposed and relative collections. Our analysis showed that the average collection rate versus the total amount of fines, penalties and court costs was actually better than 100% because of the inclusion of

monies due the court from the previous year. The exact numbers were calculated at 84.33% for traffic offenses and 99.93% for criminal offenses. These calculations are based on total annual collections for traffic offenses of approximately \$253,400, and \$37,600 for criminal offenses.

The Judge, in most cases, requires that the defendant pay 50% of the money due the court up front at the time of sentencing. He also issues warrants for those who fail to abide by the payment schedule he sets and he has, in more than one instance, requested that an officer bring a particular individual in to court while the court is still in session to make the required payment. The team's analysis illustrates the consistent and aggressive manner by which the judge and court staff are collecting fines and other costs.

The Judge also utilizes all the information he has at his disposal regarding the impact on other municipal departments in dealing with a defendant, such as the regular time and/or overtime required to bring this case to court, to determine the fines imposed.

**We suggest that all departments provide full information to the court relative to the cost of their efforts in bringing defendants into court in order to provide the Judge with full information on which to base his decision regarding fines.**

**We compliment the judge and court staff on the consistent collection of monies due the court.**

#### **Time Payments/Delinquent Payments**

The team also analyzed the statistical reports that illustrated time payments allowed and related delinquent accounts. Our analysis showed there were no delinquent accounts relative to traffic offenses. The annual rate of delinquent accounts relative to criminal offenses was an average of 2.17% for the year. These calculations are based on total annual payments for traffic offenses of approximately \$253,400, and \$37,600 for criminal offenses.

This illustrates among other things, that the method employed by the court staff for collecting time payments, is sound.

#### **Court Programs**

The judge has been instrumental in developing creative incentives as a deterrent to crime as well as encouraging rehabilitative programs. Additionally, he is involved in the employment of revenue enhancement initiatives, as well as with encouraging and supporting his staff in the development and implementation of ideas that will better serve the municipal court and township. Examples of some of these are as follows:

#### Reimbursements to Township and Witnesses

When a defendant is cited for contempt and a police officer is summoned to court on an overtime basis, that cost is reimbursed by the offender. The judge will hold an attorney responsible for overtime costs if he/she fails to appear in court as scheduled and does not notify the court within a reasonable time. The judge may also require a defendant found in



contempt to reimburse a non-government witness for his/her commutation costs and/or loss of pay.

#### Deterrent/Rehabilitative Programs

1. When a defendant is convicted of DWI (Driving While Intoxicated) for a third time, the State has a mandatory 180 day jail sentence and a 10 year suspension of one's driver license. Instead of serving the entire jail term, the judge may offer the defendant at least two options.

The first is to enroll in an “in-patient rehabilitation program,” which usually lasts 21 days. The second option is to register with an AA (Alcoholics Anonymous) Chapter, and attend weekly meetings for two consecutive years. The defendant is required to attend the meetings for up to five times a week over the two year period. His/her compliance with this requirement is closely monitored by the court and the amount of time in the program is dictated by the extent of the person's rehabilitation.

Secondly, the judge may, in some instances, incarcerate the defendant for at least one day to illustrate what it's like to spend time in jail. However, in most cases, the judge will encourage rehabilitation as a means to recovery.

2. The Montville Township Municipal Court was one of the first towns to have a Citizens Dispute Resolution Committee, which formed in June 1985. The purpose is to provide a forum to resolve minor disputes between parties that would have otherwise been referred to the municipal court. The membership consists of community volunteers and has successfully operated under the guidance of the presiding judge. This committee has been recognized for its outstanding efforts by the League of Municipalities.

3. The “Teddy Bear” Program is one in which hundreds of stuffed bears wearing shirts saying “Montville Loves Me” are given out during the year to hundreds of children. This program is the only one of its kind in the state, and was initiated by the municipal court judge. Defendants are often given the opportunity to financially contribute to this program in lieu of serving jail time.

4. The judge developed a form known as “Tell It To The Judge” that allows the general public to complain, comment and make suggestions to the judge. The form is designed to solicit input from anyone having contact with the municipal court, and for them to report on the treatment received from the judge and staff. The judge responds to every comment in writing.

5. The Community Service Program developed and administered by the municipal court has been instrumental in providing thousands of “volunteer” hours each year for various township projects. These range in scope and time and cover work such as painting, recycling, landscaping and plumbing. All work is free of charge and benefits the taxpayer, the offender, and the state. This program helps to reduce the cost of maintenance for the township, acts as a rehabilitative instrument as well as a training tool, and also reduces incarceration costs.

6. The judge developed a Condition Card to aid in the follow-up of defendants convicted of DWI in terms of his/her progress. The defendant is granted a lesser sentence for the offense, but he/she must fulfill certain conditions. These conditions, as well as the cost of the offense are described on the multi-form card. This is a helpful monitoring tool not only for the court, but for the defendant and any other person involved with the rehabilitation of the offender. More importantly, this is a reminder to the defendant of the offense committed and the terms of his/her sentence.

**We commend the judge for these innovative efforts.**

## **ENGINEERING**

### **Staffing**

The Engineering Department is currently staffed by two in-house personnel and a consultant who performs the duties of township Engineer. Prior to 1995, the department operated with a full-time in-house engineer and a part-time consultant. The perception of some is that the township Engineering Department is understaffed for its current mission and that, this in turn, is causing department personnel to perform functions that were not traditionally within their job responsibilities, resulting in backlogs in areas that are their primary responsibilities.

### **Financial**

The consultant is contracted for eight hours per week and unlimited phone calls for engineering. He is also responsible for Public Works oversight for an additional eight hours per week. The original agreement was for \$3,000 per month as the consulting engineer. As of July 1995, this fee was increased to \$3,500 per month, for a total 1995 contract amount of \$39,000. While this may appear to be a savings compared to the in-house engineer's salary and estimated benefit cost of \$85,000, the structural changes in the in-house functioning of the department due to the consultant engineer arrangement has resulted in the two remaining personnel on staff devoting 50%-60% of their time on work formerly done by the staff engineer. As a result, the work traditionally performed by these staff members has fallen behind to the point where additional staff may be required. The true cost of this organizational change in the department is the value of the staff time (\$59,008) of the Surveyor/Assistant Engineer and the Secretary/(Technician) now required for duties previously handled by the in-house engineer. The total of \$59,008 must, therefore, be added to the \$39,000 cost of the consultant fees to determine the true cost of the engineer function, which was \$98,008 in 1995. The Consultant Engineer collected additional fees for services not covered under the primary contract, including fees paid from developers' escrow accounts, which amounted to \$28,729, and fees for project work, which amounted to \$3,245. Not including escrow work, therefore, total 1995 expenses for the supervising engineer totaled \$101,253.

The contract cost in 1996 for the Consultant Engineer is \$42,000. As of June 30, 1996 the Consultant Engineer also bid on and received projects separate from his primary contract for:

the Public Safety Building at \$9,700, Horseneck Road at \$23,400, Crooked Brook at \$2,785, and the Community Center at \$1,065, for a total of \$36,950. He was also paid separately from developers' escrow II accounts for a total of \$25,097 and from the in-house engineering account for \$788. Add to this the cost of the organizational changes outlined above of \$59,008 for a total cost of \$138,746 for 1996, not including work paid for by escrow money. It should be noted that the expenditures beyond the retainer may be temporary as many of the current projects requiring engineering services were approved before 1990 with fewer projects approved since that time.

It appears to us that the consultant engineer arrangement has cost the township an additional \$16,253 in 1995 and \$51,196 in 1996 when compared to former in-house engineer costs.

**The team recommends that the township reevaluate the organizational change to a consultant engineer to assure that it constitutes an effective method of handling the current workload. This reevaluation should include the extent to which future projects will need to be contracted for separately that were formally done in-house by the staff engineer and the value of the time of the other in-house staff that is now being taken up by responsibilities formally handled by the in-house engineer.**

**If the municipality decides to maintain the consultant engineer arrangement, we suggest that departmental staffing be augmented with another technical/secretarial person on at least a part-time basis at an approximate cost of \$16,000. In addition, we suggest that a qualified person be authorized to approve changes related to engineering projects in the absence of the consultant. If the municipality decides to hire a staff engineer, then the department may or may not require additional part-time help. This will depend on how the staff engineer sees the needs of the department and to what extent the current backlog of work has been cleared.**

**Value Added Expense: \$16,000**

### **Roads**

The Engineering Department has recently completed an analysis of the status of the township's existing roads. There is an estimated 103 miles of road for which the municipality has taken responsibility for maintenance in prior years. Five categories of roads have been defined as:

- A. formally accepted township right-of-way.
- B. filed map subdivision (not formally accepted yet).
- C. public road return (not formally accepted yet).
- D. no/conflicting documentation (possibly private).
- E. private right-of-way.

**There are 1.58 miles of road classified as "E" and 9.05 miles of road classified as "D." We suggest that the township fully involve its legal counsel regarding the interpretation of N.J.S.A. 40:67-23.1, which addresses the repair, maintenance and lighting of roads or streets not taken over by the municipality or dedicated and accepted as public**

**highways. So as to avoid surprises for homeowners and confusion for the DPW staff, the township should then notify all residents on roads that will no longer be maintained by the township. No matter what was done historically, the township may no longer be able to maintain non-public roads and assume the liability for doing so.**

## **PUBLIC WORKS**

### **Staffing**

The Public Works Department is in a state of transition due to the recent retirement of the Superintendent after 27 years in the department and the phenomenal growth in the township over the past several years. The department, having been organized for the less developed Montville of the past, is feeling the pressure to respond to the current demands placed upon it, yet it does not appear to have the adequate resources to meet such demand. The department is staffed by 16 employees including the recently promoted supervisor. This is down from 19 employees for calendar year 1995. As of January, 1996, the consultant engineer took over responsibility as Public Works Director for an additional fee of \$2,000 per month.

With no project schedules and no documentation of work completed, there is no way to adequately determine if the perceived lack of resources is due to the lack of organization and planning, or to a real staffing shortage.

**We strongly believe that this department needs a full-time, certified professional manager to appropriately define, with Township Committee and Administration direction, the mission of this department. Further, a manager is needed to develop departmental workload and resource information and prepare workload assignments accordingly.**

**Value Added Expense: \$65,000 (inc. benefits)**

### **Workload**

There are four primary operational areas assigned to the department: (1) road maintenance and repair, (2) parks and grounds maintenance, (3) recycling, and (4) vehicle maintenance. While there are always subsidiary missions in any public works department, these are the main categories of work in Montville's DPW. The main areas of subsidiary/seasonal requirements are snow removal, leaf removal, shade tree and right-of-way tree maintenance, and traffic signal/sign maintenance. The scale and scope of this operation makes specialization impractical.

The department has no written work schedule; work is assigned only as various tasks are finished. The department has no planned schedule for routine road repair, thus it responds only to incoming complaints. There is a backlog of road, storm sewer and drainage easement repairs to complete. Some Township Committee members and department heads are in the habit of calling directly to the DPW for action on perceived emergencies or crises. This behavior causes "knee jerk" reactions to what ever happens to be the latest crisis and detracts from the ongoing, regular work of the department. These disruptive tasks are pursued

expeditiously by staff, primarily due to the dedication of the Public Works' employees and their eagerness to perform well. Except for mechanics and equipment operators/truck drivers, there appears to be no division of labor. The current scale and unplanned, loosely organized activity of the department does not meet the expanded needs and is wasteful in its use of staffing and equipment. Employees are stopped in the middle of a project to respond to a perceived crisis often originating outside the department.

**We suggest the manager institute a clearly defined project schedule and after action reports to obtain data for analysis of the work accomplished by the department. This will provide management with the information necessary to decide the optimal organizational structure and staffing levels and will facilitate the planning and organization of the work to more effectively use available resources.**

**This department needs to keep comprehensive records of all activities. We suggest that it obtain a computer system with appropriate software for record keeping and fleet maintenance. The possibility of sharing a data entry/secretarial person with the Engineering Department should also be explored.**

#### **DPW Garage**

The DPW vehicle storage facility needs extensive work to control flooding during heavy rains. The presence of water in the vehicle storage areas is not only a disruption to the operation, but also increases maintenance costs while decreasing the useful life of the equipment.

#### **Street Sweeping**

The scale of this operation does not appear to justify the operational or capital expense. The capital expense of the township's sweeper was approximately \$130,000. Assuming a ten year life for this equipment, the yearly expense is \$13,000, not including debt service interest. The maintenance expense per year is approximately \$2,750, not including fuel and oil. Salary and wage and benefit costs amount to over \$10,000. The annual total expense for street sweeping, therefore, equals approximately \$25,750.

Municipal street sweeping contracts reviewed by the team range from \$24 to \$90 per road mile, the difference being attributed to the number of miles to be swept and the length of the contract. The entire township of Montville is reportedly swept completely once a year, with additional spot sweeping as needed. The Engineering Department states that the municipality has 103 miles of road. This road mileage and that of the additional spot sweeping amounts to approximately 160 miles per year.

If the township were to contract or negotiate an interlocal agreement with the county or another municipality at \$90 per road mile, using the highest estimate, the 160 miles of road to be swept would cost \$14,400. The current equipment, maintenance and employee costs total \$25,750. Contracting appears, therefore, to have the potential of saving \$11,350 per year, not to mention the value of the disruption to the department's other responsibilities.

**Given the potential annual cost savings of approximately \$11,350, the team suggests that the township consider contracting out its street sweeping service and selling its equipment.**

**Cost Savings: \$11,350**

#### **Leaf Pickup**

Leaf pickup disrupts the operations of the entire department for two days per week, for eight to nine weeks or more each year, at a cost of \$23,583 for salary and wages and \$2,130 for operating expenses and equipment. The total cost of \$25,713 does not include debt service or administrative overhead. This service really only benefits those who have large lots with many trees and not the entire community.

The current method of pick-up, i.e. where residents call in and are put on a list for the following week's pick-up is very inefficient, causing municipal workers to travel the entire breadth of the municipality each week for leaf pick-up during the time the service is offered.

**We recommend that the township encourage the on-site composting of vegetative waste to reduce the need for this service. Further, we suggest that the township consider continuing this service on a fee basis only, based on the quantity of vegetative waste to be removed. This charge could take the form of a per bag fee that would cover the cost of the service. This would encourage alternative methods of disposal and would place the associated costs of the service on those who actually receive the benefit. There should be established routes for each week of pick-up and interested residents should be notified accordingly. Whether or not the community chooses to follow through with the above recommendations, we strongly recommend that it at least require that this pick-up be on a scheduled basis, rather than a call-in basis to reduce the inefficiencies inherent in the current operation.**

**Revenue Enhancement: \$25,713**

#### **Bulk Pickup**

Bulk pickup of household items is done once per week by two personnel. The most time consuming element of this operation is the distance traveled between stops. Once per week pickup is considerably more than most communities provide. The current cost of this operation is approximately \$37,120.

If this operation were only run once per quarter, the pickup routes could be more efficiently organized. The department would gain approximately 96 staff days of work time, at an average daily pay rate of \$327.13, including benefits for both employees. The savings of \$31,404 incurred would almost pay for the cost of the entire service.

**We suggest that the bulk pickup service be reduced to once per quarter.**

**Cost Savings: \$31,404**

#### **Recycling**

According to a survey done by the municipality, 41% of those responding either did not know about or did not use the recycling pick-up services. A check of the month of August revealed

that, of the potential 1,091 single family dwellings on each of the four recycling routes, only 29% of the residents had placed recyclables out for pick-up.

Recycling pick-up is the most disruptive operation for DPW. There are eight personnel involved in the recycling program, not including any supervisory or administrative staff. Recyclables are picked up twice per month using five personnel. The drop-off facility is staffed by two personnel and is open six days per week. One truck driver delivers the roll-off bins to the vendors. The department pays structural overtime to staff the recycling drop-off site every Saturday.

Of the 3,458.9 tons of recyclables reported in 1995, the township pickup and drop-off operation recycled 2,942 tons. The municipality received \$4,865 in State Tonnage Grant moneys for the year and approximately \$92,365 in revenue from the sale of recyclables, based on 1995 data. The municipality currently recycles 29% of its waste stream, with 25% of that recycled waste going through the municipal recycling operation. Other communities in Morris County recycle as much as 60%. The primary recycling vehicle is in need of capital replacement at an estimated cost of \$60,000. The employees engaged in recycling were paid approximately \$26,150 in overtime in 1995.

A benefit of diverting more than 2,942 tons of trash from the landfill through greater resident participation at a cost of \$110.00 per ton is a savings of \$323,000 in tipping fees and \$211,899 in hauling fees at the current hauling rate of \$72.05 per ton. If Montville could increase its recycling rate to 50% of the municipal waste stream, the savings in tipping fees would be an additional \$274,300 in tipping fees and \$179,135 in hauling fees. In addition, the revenue from the sale of this additional 2,484 tons of recyclables would be approximately \$78,000, based on 1995 market prices.

**The team suggests considerable changes to the recycling operation, which include the following:**

**1. Schedule only one employee to oversee drop-offs, which would produce a gain of four staff days. In order to eliminate the structural overtime inherent in this operation, we suggest a realignment of staff in which one employee would work Tuesday through Saturday at the drop-off site and another would work Monday at the drop-off site and be available for other departmental duties on the other four days. The drop-off site would be staffed only when the pickup operation was not in operation, in other words, on Monday, Thursday, Friday, and Saturday. Residents should be notified that if they bring items they will need help with, they must bring their own help on Tuesday and Wednesday. Another option would be to close the recycling drop-off site on pickup days. Deliveries of recyclables to the various vendors would be made every day.**

**A through H of the following chart represents each current recycling staff member. X represents attendance at the drop-off site; Y represents responsibility for the pick-up operation; Z represents responsibility for delivery of recyclables to vendors; O represents staff time that would be available under this re-organization for other**

department functions; and T represents a day of savings from the elimination of structural over-time, since the employee would no longer be working that day.

**CURRENT STRUCTURE**

	<i>M T W T F S</i>
A	X X X X X X
B	X X X X X X
C	Y Y
D	Y Y
E	Y Y
F	Y Y
G	Y Y
H	Z Z Z Z Z

**SUGGESTED STRUCTURE**

	<i>M T W T F S</i>
A	T Y Y X X X
B	X Y Y O O T
C	Y Y
D	Y Y
E	Y Y
F	O O
G	O O
H	Z Z Z Z Z

This reorganized schedule would reduce staffing requirements from the current 27 staff days per week to 19, producing a savings of eight staff days per week. This savings represents 1.6 employees on an annual basis at an estimated cost of \$78,453.

Cost Savings: \$78,453

2. Another option would be to run the recycling pick-up program on Saturdays using just two municipal truck drivers working a Tuesday to Saturday schedule, and using community service workers as crew members. This option would save another six staff days per week, or 1.2 employees annually, for an additional savings of \$52,300. This would also allow for the staffing of the drop-off site six days per week. This option would require the purchase of an additional recycling vehicle at a cost of approximately \$60,000, with an estimated life of ten years. The annual cost, therefore, is \$6,000, not including debt service.

Cost Savings: \$52,300

Value Added Expense: \$60,000 (one time)

3. Further, the team suggests that the township aggressively pursue improvements to its rate of recycling through greater public relations efforts. This would produce savings in the form of reduced landfill and hauling costs and enhanced revenue through greater recyclable sales.

Cost Savings: \$453,435

Revenue Enhancement: \$78,000

**Solid Waste**

The township does not provide solid waste removal services. This service is contracted for individually by residents from the three vendors approved by the Board of Public Utilities. Charges range from \$18.82 to \$25.90 per month. On an annual basis for all residential dwellings, using the lower charge to be conservative, this equates to approximately \$1,534,357 annually in current solid waste removal charges paid directly by residents. This expense includes the tipping fee of \$110 per ton.



In 1995, Montville disposed of 8,428 tons of solid waste. Factoring out the tipping fees for this tonnage, since that is not dependent upon the service provider, the hauling cost amounted to \$607,277. This equates to \$72.05 per ton. The team is aware of other Morris County municipalities that have contracted trash removal including garbage, rubbish, bulky waste, grass clippings, yard waste and the collection and recycling of white goods for \$53 per ton.

**We suggest that the township consider contracting out for solid waste removal services, instead of requiring residents to maintain their current individual contracts. If the township is successful in negotiating a contract at \$53 per ton for solid waste removal, as other towns have been, the total hauling cost would be \$446,684, for a savings to the residents, not the municipal government, of \$160,593. There would be an additional productivity enhancement of \$34,022 if the contract included bulk waste and white goods pick-up, since this is the current township staffing cost of the two employees currently involved in this activity for 52 days each per year. These employees could then be utilized more efficiently in other areas of the public works' operation.**

**Productivity Enhancement: \$34,022**

### **Vehicle Maintenance**

Montville's vehicle maintenance operation functions with two mechanics each responsible for 33 road vehicles plus assorted equipment. The industry average is approximately 23 vehicles per mechanic, but this may not be applied directly to the Montville operation, as the DPW vehicles have a very low utilization factor compared to the industry norm. In addition, 14 of the 19 police vehicles are maintained under an extended seven year/100,000 mile warranty, thus reducing the maintenance effort of DPW for this portion of the fleet.

The department employs one mechanic and one assistant mechanic, and is in the process of hiring another mechanic. The assistant mechanic currently works primarily on police and administrative vehicles, spending 85% of his time on police vehicles. The mechanic works predominantly on public works vehicles and equipment.

In 1995, other expenses for vehicle maintenance totaled \$69,126. The salary and wage and full benefit cost for the two mechanics was \$107,185. The annual extended warranty cost for 14 police vehicles was \$5,250.

There are three categories of vehicles being maintained at separate per vehicle expenses: 19 police vehicles at approximately \$4,112 (including the cost of the extended warranty, but not the cost of the actual warranty work done); 32 public works vehicles at approximately \$2,821; and 15 administration/departmental vehicles at \$878. Therefore, the 1995 average annual cost of vehicle maintenance is \$2,604 per vehicle. The addition of a third mechanic at \$40,000 in salary and wages and full benefits would add an estimated \$606 to the average cost per vehicle for annual maintenance. This would bring the total per vehicle to \$3,210 per year. If the township maintains the seven Board of Education vehicles, which we propose in the Shared Services section of this report, the per vehicle cost would drop to \$3,035.

**Though the work completed under this operation appears to be competently handled, the per vehicle cost, with a third mechanic, will exceed by an estimated \$500 that of other government run and privatized operations we have reviewed and considered efficient. While this may be due, to a considerable extent, to economies of scale realized in those larger operations, we suggest that the Township carefully monitor this operation to ensure that the per vehicle cost does not increase. We also caution the township about segregating the work by departmental vehicle and, instead, suggest that mechanics be involved in maintenance of all vehicles in order to ensure greater cross training opportunities and greater allegiance to the entire vehicle maintenance operation versus that of a particular department.**

### **Fuel**

The Police Department has for two years operated an automated fuel dispensing system. Every vehicle has a card which limits the amount of fuel a vehicle can have at one time. Cumulative data is done manually and is estimated to take no more than one half hour per month. The Police Department submits a report to the Finance Department where cumulative expenditures are tracked.

The system was installed with two new tanks having a total capacity of 11,000 gallons (8,000 gasoline and 3,000 diesel). Fuel is replenished every four to five weeks and is purchased through the county cooperative. Fuel is available for all municipal vehicles, Municipal Utility Authority (M.U.A.) vehicles and Board of Education (B.O.E.) vehicles. The municipality is reimbursed by the M.U.A. and the B.O.E.

The fuel system has several optional packages that would facilitate a comprehensive maintenance program, but are either not currently available with Montville's system or are not being used. This is presumably because the Police Department is not responsible for maintenance.

**We suggest that this investment by the municipality could have far greater utility if this system were used to its maximum capacity, and subsequent management information necessary to a comprehensive maintenance effort were transmitted to those responsible for maintenance. The pending relocation of the Police Department should result in transferring the fueling responsibility to a modernized DPW as part of its total maintenance software and vehicle tracking system.**

### **Buildings/Grounds**

The township contracts for custodial services in the municipal building, library, police department, old library building, Sisco House, and men's restroom at the Public Works garage. This represents a total square footage of 53,300, which is cleaned at a cost of \$55,500. This equates to a square foot cost of \$1.05. Grounds are maintained by DPW staff.

**A cooperative effort with the Board of Education for facility repair/maintenance could benefit both organizations. This is discussed more fully in the Shared Services section of this report.**

## **FACILITY DESIGN**

### **Architectural Fees**

The team has reviewed the architectural fees associated with three major facility projects that have been under design at various points since 1988 - First Aid Squad Building, Community Center, Existing Police Building. For one of the architect firms working on the First Aid Squad building, there was no agreement on file, yet there was \$5,408 expended between 5/13/91 and 12/8/92. Upon review of the services performed by two of the other firms on separate projects, it appears that there have been expenditures outside the scope of the original contract, without an amendment to that original document or any supporting resolutions. These expenditures amounted to approximately 10% of the total contract amount for the community center and 26% for the police building. These expenditures were reportedly due to design changes requested by the governing body after considerable work had already been put into these projects by the architectural firms. As a dollar amount, these changes in direction have cost the township approximately \$53,984.

**As we mention in the section on Parks and Recreation, we suggest that major decisions regarding any municipal facilities be finalized prior to the acceptance of quotes and contracts for architectural services. Due to the expense of changes once one direction has been established, alterations to a plan should be done only under the most emergent circumstances.**

## **MUNICIPAL UTILITIES AUTHORITY**

### **Staffing**

The Municipal Utilities Authority (M.U.A.) serves the residents of Montville with a staff consisting of 12 people: the Director, five office staff, including two part-time personnel, and six field workers. For 1995, staffing costs for the M.U.A. were \$479,763 in salaries and \$127,621 in benefits, totaling \$607,384.

### **Scope of Services**

The Montville Township Municipal Utilities Authority (M.U.A.) was created by the Township of Montville in 1964 to provide residents with water and sanitary sewer service. There are about 5,145 residential sewer customers and about 4,840 residential water customers served by the M.U.A.. There are also 319 commercial sewer and 363 commercial water customers, along with a large number of dwellings with individual water wells and/or septic systems.

### **Infrastructure**

The water and sewer systems within the M.U.A. are in good condition with very few problem areas. The oldest part of either system is about 30 years old. The water system is mainly piped with ductile iron piping, with some fragile asbestos piping that is in somewhat need of repair. The sewer system, however, is done entirely with either iron or PVC piping and is not often in need of any maintenance.

The M.U.A. is currently undertaking a major sewer expansion project within the township. This project is being jointly funded by the township and the rate payers because the M.U.A. and the township did not think it was fair to ask the current M.U.A. customers to fund an expansion project, through a rate increase, which will bring little or no benefit to them. As a result, the township gives yearly contributions to the M.U.A., which will total \$2,675,000 over the life of the expansion project.

Currently, between 55%-60% of the township's dwelling units are connected to the sewer system. By the time the expansion is complete, in approximately 2001 or 2002, it is expected that 70%-75% of the township's dwelling units will be connected to the sewer system. Any new construction in the township must connect to the sewer system, if possible. The expansion project will occur in most of the areas within the township, except for sections in the northern part of the township. The M.U.A. does not encourage the expansion of the sewer system into these areas, due to the fact that the area is very hilly with large bedrock deposits. Expansion to these areas would be very costly.

The water for the M.U.A. users comes mainly from three wells within the township. Through the first six months of 1996, a total of 300,903,127 gallons of water was pumped from the wells, for an average of 1,654,291 gallons per day. There is also an emergency water contract with the City of Jersey City. In this contract, the township may, in times of water emergency, ask Jersey City for up to 1,000,000 gallons of water per day, at a rate of approximately \$1,000 per million gallons of water.

### **Financial**

The sewer system for the M.U.A. contains 14 pump stations. All of the township's sewage, except for that which goes directly into individual septic systems, is pumped to Parsippany-Troy Hills for treatment, as per agreement. In the agreement, the M.U.A. is allowed to send approximately 2,370,000 gallons of sewage per day at a yearly cost of between \$750,000 - \$800,000.

The M.U.A. bills for sewer usage on a flat fee basis for residential users. The fee for these users is \$83.25 per quarter, or \$333 per year. There is also a one-time connection fee of \$4,149. The reason for the flat sewer fees is that the M.U.A. did not think it would be possible to bill properly, due to the lack of water flow data available to the M.U.A.. If the M.U.A. were to move to a billing system based upon consumption, they would have to estimate the usage for some customers while using actual usage for others.

The M.U.A. bills for water usage on a flat fee plus usage basis. There is a quarterly fee of \$45, which entitles a customer to use up to 15,000 gallons of water before any additional charges are added. There is also a one-time connection fee of \$2,293. After the initial 15,000 gallons of water are used, a fee of \$3.02 for every additional 1,000 gallons used is added. Township residents are not required to be connected to the M.U.A.'s water system, and as a result, there are still a significant number of dwellings which have individual water wells.

All of the sewer billing and collection for the M.U.A. is done in-house. There is one person, along with the assistance of a part-time college student, who carries out these functions. The M.U.A. is on a quarterly collection cycle, in which 1/3 of the customers are billed during each month within the quarter.

**This type of collection cycle is to be commended, because it creates a constant work flow within the office, enables staffing levels to be minimized, and creates a constant cash flow, which enables the authority to effectively manage and invest its revenue.**

Water billing for the M.U.A. is also done quarterly. All of the meters are read quarterly by the M.U.A.'s field workers with a hand-held, computerized meter reading system. Once all of the meters are read, the information is downloaded into the M.U.A.'s computer system and the bills are automatically created and sent out by the office staff. In the future, these systems can be upgraded to allow a field worker to read a meter while he/she is driving by in a vehicle.

**The M.U.A. should again be commended, not just for using the latest state-of-the-art technology using hand-held, computerized meter books, but also for having the foresight to purchase a system that would not only fit their present needs, but could be upgraded to create a more efficient system in the future.**

Since 1993, the M.U.A. has aggressively pursued delinquent payers through the municipal lien process. In addition to sending out quarterly delinquent notices, if an account is delinquent and there have been no payments on the account for four consecutive quarters, the M.U.A. will begin the process of sending the lien to the municipal tax sale. In the present year, 48 accounts were delinquent as of the beginning of August and ready to go to tax sale. Once the accounts were notified of this fact, the delinquent payers started to correct their accounts. At the end of August, those 48 accounts were reduced to 13.

**The M.U.A. should be commended for its proactive, aggressive approach to the collection of revenue on delinquent accounts.**

### **Personnel**

Payroll for the M.U.A. is processed through ADP at a cost of approximately \$30 per pay, or \$780 per year. The M.U.A. is on a bi-weekly payroll system. If the township and M.U.A. payrolls are merged, the addition of 10 - 12 personnel to the township's payroll should not significantly, if at all, affect the cost of the service. If there is any change, the M.U.A. should be required to fund the difference.

Health benefits for the M.U.A.'s employees are provided through the N.J. State Health Benefits Plan. There are presently ten employees who receive health benefit coverage from the M.U.A.. Merging M.U.A. benefits with the township program would not cause any significant increase in workload to the township's employees.

**It is recommended that the M.U.A. merge its payroll with the township's payroll, or approach their bank to see if they would be willing to cover the payroll costs, as is done**

**in many other municipalities, in return for keeping particular sums of funds in the bank. It is reasonable to suggest that whichever method is used, the M.U.A. could save almost all of the \$780 per year.**

**It is recommended that the M.U.A. merge its provision of health benefits with the township. Using present rates, if the M.U.A. were to receive rates equal to the township, the savings to the M.U.A. would be approximately \$5,100 per year.**

**These savings are not illustrated in the township's summary since the authority is an independent entity. As these savings could, however, be passed along to the residents, we suggest these recommendations be considered.**

### **Re-organization**

Based on our review, we strongly believe that the M.U.A. is a well run, efficient operation under its present structure. However, since it is ultimately the township that must answer to the taxpayers and adequately provide for their needs, we suggest that at an appropriate point in the future, such as when the vast majority of the infrastructure improvement work has been completed, it may be practical and feasible to incorporate the Municipal Utilities Authority under township operations. This is in no way meant as a reflection of any management or operational failings in the M.U.A., but rather a reflection of the Local Government Budget Review Program's general philosophy of having a municipality retain as much authority over public operations as possible for accountability and control purposes.

The sewer and water service operations could be integrated into the township's operations as a utility through its Department of Public Works, with the possibility of having the Executive Director of the M.U.A. take over as the Public Works Director, since that operation is in great need of strong management and direction. This management scenario would be most feasible if the township decides to maintain its current relationship with the consultant engineer oversight of the DPW until it is an appropriate time to integrate the M.U.A. into township operations.

**The team recommends that the township give serious consideration to the integration of the sewer and water service operations into township operations at an appropriate point in the future.**

## **PARKS and RECREATION**

### **Organization**

The Montville Township Parks and Recreation Department is headed by an appointed Recreation Commission, which consists of seven members. This commission has responsibility for all lands, playgrounds and recreation places acquired by the township and is responsible for adopting suitable rules, regulations and by-laws for the use thereof and the conduct of all persons while on or using the same. Through the Director, the Commission is specifically responsible for :

- coordination of park maintenance, park/facility schedules and field availability for “non-sponsored” recreation programs (i.e.; Baseball/Softball Association, Soccer Association & Broncos); and
- development of new parks/facilities and programs.

**Though we recognize that the Recreation Commission has provided quality programming and facilities for Montville residents, we suggest that the Township Committee give serious consideration to changing the Recreation Commission to a Recreation Committee. In general, we believe that the autonomy of a commission has the potential to create conflict between the appointed and elected representatives of the community. The change to a Recreation Committee would provide the township’s elected officials with absolute accountability and responsibility to the taxpayers.**

### **Facilities**

Presently, the common focus of the Township Committee and Recreation Commission is the completion of the Community Park and the proposed new Community Center. Most other approved capital recreation projects have essentially been put on hold with the exception of some maintenance and upgrading. One concern which was raised regarding the new Community Center was whether or not there should be an all-purpose room to address the growing demand in the community for accessible gymnasium space for winter activities. The Commission and the Township Committee have discussed this issue for some time and have had difficulty in reaching a definitive decision. In the latest move, the Township Committee has reversed its original decision not to include a gym and has had to pay the architect additional fees to reflect this change in direction to include a gym.

**We suggest that decisions regarding any municipal facilities be finalized prior to the acceptance of quotes and contracts for architectural services. Due to the expense of changes once one direction has been established, alterations to a plan should be done under the most emergent circumstances.**

### **Staffing**

Full-time staffing consists of the Director and the Program Coordinator. Part-time staffing consists of the ARCHWAY Supervisor, a driver, an aide for the program, and one arts/crafts instructor. Seasonal employment includes sports clinic coaches, playground assistants and playground counselors I and II. The department employs approximately 80 summer employees. The number of part-time workers varies during the year depending upon program offerings, however, there are usually no more than six part-time employees from September to May.

### **Functions/Programs**

The major functions of the department include :

- supervising programs,
- scheduling events and activities,
- checking fields and field activities,
- requesting specific maintenance actions by DPW,

- setting up rooms and/or playgrounds for activities,
- preparing and processing capital improvement requests,
- recruiting part-time personnel, and
- performing a number of administrative activities, such handling inquiries and fee payments, submitting payroll time sheets and purchase orders and preparing the departmental budget.

The department is also responsible for scheduling use of all public facilities including the Municipal Building, the Library and the Public Safety Building.

The township Recreation Department is very involved in activities for the ARCHWAY program. ARCHWAY stands for “Adapted Recreation for Citizens with Handicaps.” Handicaps include hearing & sight impairment, mental retardation, autism, cerebral palsy, neurological impairment, and emotional disturbance. This program is funded by the Montville Township Kiwanis Club and a state grant. The program is designed to offer adaptive recreation opportunities in a social atmosphere on a weekly basis. It is open to young adults from Montville, Lincoln Park and Pequannock townships. Activities include: arts/crafts, bowling, dining out, cooking, and trips to the circus. Most meetings take place in Montville at various locations, except for a Saturday morning program developed to offer the same type of activities for younger children, which meets at the Community Center in Lincoln Park.

The Playground Program, commonly referred to as a summer camp program, is one of the most successful programs run by the Parks and Recreation Department. This program represents a cooperative effort with the school system, which is able to provide both indoor and outdoor activity space free of charge, since there is already a custodian on duty on a daily basis with a “black seal” license. Participation in this program has grown significantly from year to year reflecting the growth in population. This program, as well as others, also provides employment opportunity for many high school and college students residing in the community.

### **Financial**

Departmental expenses, including salary and benefits and operating expenses, totaled approximately \$222,730 in 1995.

Program revenue totaled \$214,842 and was received through fees, donations, a State grant, and a township budget subsidy. Fees were by far the highest revenue source at 83%. Recreation program fees vary, based on the initial cost of the program, plus variable costs for equipment and supplies, instruction, facility use, and printing. Fee increases have typically been gradual so as not to discourage participation.

The department waives the fees for recreation programs, including the Playground Program, for those who cannot afford to pay. On average, this amounts to less than 1% of all participants. Eligibility of waiver recipients is based on such criteria as the participant being a public assistance recipient or the participant being qualified for free school lunches.



In April, 1996 a new fee schedule for facilities was proposed. The fee amounts were arrived at by focusing on two criteria: (1) a practical assessment of facility usage in the past to assure that the fees will cover past costs; and (2) a comparison of proposed fees to those charged by other municipalities in the area with similar facilities and demand for usage.

This fee schedule is expected to be adopted by ordinance of the Township Committee with a provision allowing the Recreation Commission the right to waive fees for any “recognized” (fundraising) resident groups on a case by case basis.

**The Team fully supports the department’s current fee structure and the proposed facility fees for recreation programs. It more closely matches actual departmental costs than any other municipality we have thus far reviewed.**

### **Youth Groups**

There are three non-profit youth groups in Montville which utilize township recreation facilities: the Montville Baseball and Softball Association, the Montville Athletic League (Broncos) and the Soccer Association. There is also a senior citizens’ association called “Seniors on the Loose.” The only services the Recreation Department provides for this organization, however, is scheduling for building usage.

Fund raising by the Montville Baseball and Softball Association has greatly benefited the municipal fields and facilities. For example, this association has contributed lighting for two of the ballfields, fencing for these two fields, a refreshment stand, two scoreboards and the restrooms. In addition, the association upgraded a ballfield, converting it from skin to turf, and it maintains the restrooms and refreshment stand. In response to this contribution, the municipality gives priority to this association regarding use of the fields and facilities. This organization and the municipality have drawn up a lease agreement for such use. The primary purpose of the lease is to protect the Association’s investment in the fields and to give the Association its promised priority regarding scheduling usage of the fields.

**While it is not the team’s intent to inhibit the positive cooperative arrangements that exist, we suggest that the Township Attorney be requested to review statutory rules and regulations regarding the private use of public facilities and services. The township must concern itself with the protection of the public interest at large, despite the good intentions of particular groups. We believe that formal agreements should be developed between the agencies and the township to ensure documentation and implementation of the public benefit derived from such agreements. In addition, agencies should be required to provide evidence of adequate insurance for their activities which names the township as “additional insured.”**

### **Facilities**

Facilities belonging to the municipality include:

- an amphitheater in Community Park for which there is no usage charge,
- the Community Park Athletic Fields which are used for soccer, football, lacrosse and high school games (with some usage charges),

- three municipal fields located next to the Police Department facility (two of which are lighted and paid for directly along with other electrical usage by the Baseball & Softball Association)
- ballfields located in five of the parks, including one lighted field in Masar Park where the cost of lighting is included in the usage fees
- three outdoor lighted basketball courts at Community Park (no charge),
- garden plots located on Community Park property for which \$25 refundable deposits are made, and
- environmental trails (unused at this time) also located on Community Park property.

### **Parks**

The seven parks in Montville consist of ballfields and playgrounds. They are open for daily use, but close at dusk, since lighting is not available in most of the areas. Two other recreation areas owned by the municipality include Camp Dawson and Dorsey Pond. The township has close to 359 acres in open space acquisitions. It is the responsibility of the Recreation Commission to survey “open space” property which the township might be interested in purchasing and to prioritize such potential purchases. When possible, Green Acres funding is sought for such acquisitions.

The current park maintenance contractor is responsible for grass cutting, chemical application and athletic field preparation. The township’s Department of Public Works takes care of putting down clay, grass seed and weed killer, and repair/replacement of benches and swings.

## **WELFARE**

### **Staffing**

The Welfare Office is staffed by a part-time welfare director working approximately six hours per week.

### **Workload**

Through proper application of the regulatory requirements placed on recipients, the Welfare Director has reduced the caseload by more than 80% in the past three years; from approximately 35 per month to approximately six per month. Many recipients were living in motels and not fulfilling their responsibility to look for more permanent accommodations or complete their job search requirements. When these requirements were enforced many abandoned their welfare claims.

The Welfare Director is also vigilant in her administration of legitimate claims. She ensures that the township is reimbursed appropriately for moneys expended by having the first check of Social Security Income (SSI) eligible recipients sent to the municipality. Money initially spent by the municipality is deducted from the client’s check and the remainder is sent to the recipient. This enables the township to be fully reimbursed for assistance given to clients prior to the determination of SSI eligibility.

**We commend the current part-time Welfare Director for her successful efforts.**

### **Financial**

As of 06/30/96, the PATF 1 account had a balance of \$33,335. This account is primarily used to pay for indigent services. The PATF 2 account had a balance of \$37,979. This PATF 2 balance is presumably due to the aforementioned reduction in the number of recipients, which has reduced the necessity for significant funding. As per State directive, this account is being drawn down to serve client needs, in lieu of additional funds being sent to the municipality by the State for client services.

**The recent history in the PATF 1 account indicates very little activity in the past two years. We suggest that the township request State permission to have \$30,000 of the remaining \$33,335 be returned to the general fund and be made available for other municipal purposes.**

**Revenue Enhancement: \$30,000 (one time)**

## **SHARED SERVICES**

### **Existing Shared Services**

It is clear that the Board of Education and the township of Montville realize that there are significant cost savings to be achieved through cooperation. Presently, the two entities cooperate on numerous efforts.

- **Purchasing of Fuel:** The Board of Education purchases gasoline for vehicles and equipment from the township's fuel facility. This saves on the cost of capital investments for, and maintenance of, another fuel facility and secures better prices per gallon of gasoline, due to the higher volume purchases.
- **Salt and Sand for Snow Purposes:** The township gives salt and sand to the Board of Education, free of charge, during snow storms to ensure proper driving conditions in the school parking lots.
- **Sharing of Equipment:** The Board of Education and the township share equipment with each other because they realize that certain pieces of equipment are not needed by both entities all of the time and can be better utilized through sharing. Examples of equipment that is shared between the two entities include back hoes, wood chippers, aerators and seeders.
- **Summer Playground Program:** The Board of Education allows the township to use its school facilities, free of charge, in the summer to run its Playground Program. This program is designed to provide school age children with appropriate activities during the summer and keep them in touch with other school age children. The Playground Program is a five week program consisting of games, arts and crafts, sports, and weekly trips. The program also is of benefit to the community, in that it offers summer employment to area high school and college students.

Aside from joint ventures focused on cost savings, the Board of Education and the township also work together to provide services that are of benefit to the community. These joint services are especially directed at the township's youth.

- **Project Graduation:** The township covers the costs of providing this program to the graduating seniors of the High School. This program is designed to keep graduates from drinking and driving on graduation night by providing an alcohol free event for the entire senior class to attend.
- **Student Advisory Committee on Substance Abuse:** This program is provided by the Youth Services Office of the township's Department of Health. It addresses the educational and recreational needs of the youth and promotes youth participation in the program.
- **Crisis Counseling:** In times of tragedy or other need, the Youth Services Office will provide the schools with any necessary counseling or support.
- **Project SAVE (Substance Abuse Vital for Eradication):** The Youth Services Office provides this program to students, which addresses the substance abuse issues that are facing them.

The township and the Board of Education have also looked into doing some joint purchasing of supplies, but have not yet realized significant cost savings, due to the different types of supplies that are needed by each. Each is also involved in separate cooperative purchasing ventures with similar types of entities which provide cost saving opportunities and negate the need to purchase jointly in certain instances.

**We commend the township and Board of Education for their continuing efforts at providing services and programs to the residents in the most cost efficient manner through shared service arrangements.**

### **Suggested Shared Services**

Although there is substantial cooperation between the township and the Board of Education already, the Team suggests that there may be some other possibilities for shared services. While there is substantial cooperation concerning the purchase of fuel, the sharing of equipment and the provision of certain programs, there is little cooperation concerning work efforts. If work efforts were combined between the two entities in appropriate circumstances, additional cost savings and increased work efficiencies could be achieved. Possible areas for increased cooperation include vehicle and equipment repair, snow plowing, building maintenance work and grounds maintenance, and heavy equipment purchasing.

- *Vehicle and Equipment Repair:* Presently, the maintenance personnel at the Board of Education are doing minor repair work to their vehicles and equipment. There are seven vehicles and other various pieces of equipment involved. Any major problems, such as clutch and transmission work, or repairs that are not within the maintenance personnel's capabilities, are sent out to local vendors for repair. The township, on the other hand, has 66 vehicles and other various pieces of equipment. All of these items are maintained by the two mechanics in the Department of Public Works. The department is in the process

of hiring another mechanic to assist with the workload. With the addition of another mechanic, we suggest that there should be no reason that the township's repair personnel could not also maintain the Board of Education's vehicles and equipment. In this arrangement, however, the Board of Education could be responsible for paying the costs associated with any repair parts that are needed on their vehicles and equipment and for a proportional payment of a mechanic's salary. To address the Board of Education's concern that it does not have enough spare vehicles to meet its needs during the time it may take to perform the required maintenance, a clause could be inserted into the agreement stating that the Board of Education's vehicles and equipment must be repaired within a certain time period or the township would lend a vehicle or piece of equipment to the Board of Education until the work was completed.

**It is recommended that an agreement be formed between the two entities to have the township do all of the repair work to the Board of Education's vehicles and equipment.**

- *Snow Plowing:* The Board of Education's maintenance personnel are required to do the snow plowing of the school parking lots. As stated earlier, the township gives the Board of Education salt and sand to put down on the parking lots. It appears that the township's Public Works personnel should be able to do the snow plowing of the school parking lots in addition to its normal plowing without putting any substantial burden on the department. In this arrangement, the Board of Education personnel should still be required to do the clearing off of sidewalks, entrance ways, etc. If this were to take place, it would reduce the costs associated with the Board of Education having to purchase and maintain snow plowing equipment. While this will reduce that capital cost, however, it may be necessary to include Board of Education personnel in township snow plow operations in extreme emergencies.

**It is recommended that the feasibility of an agreement be considered between the two entities regarding the township taking over responsibility for the plowing of the school parking lots.**

- *Maintenance:* If both entities were to agree with the previous shared services recommendations, the Board of Education could return some services to the township by taking over the maintenance duties, not including custodial, needed at the township's facilities. Presently, it is estimated by township personnel that less than 1/5 of a person's time is spent doing maintenance work on township facilities. As this is the case, the Board of Education's maintenance and/or custodial personnel should be able to take over these duties, particularly since vehicle and equipment repair would no longer be handled by school personnel. Similar to the vehicle repair recommendation, the township should be responsible for any supplies needed for maintenance work.

**It is recommended that an agreement be formed between the two entities to have the Board of Education be responsible for the maintenance duties of the township's facilities.**

- *Grounds Maintenance:* Board of Education maintenance personnel are responsible for cutting all of the grass areas within the 150 acres of district-owned property. Township parks and grounds personnel are responsible for the grass cutting around township facilities, township parks and playgrounds, and municipal right-of-ways. This grass cutting duty is just a part of each of the department's workload.

**It is recommended that the Board of Education and the township of Montville discuss whether economies of scale or cost savings could be derived by creating one grass cutting function for all publicly owned property.**

- The team believes there is great potential for purchasing and sharing equipment. If both entities were to agree to jointly purchase equipment, equipment with greater grass cutting capabilities could be purchased. If upgraded equipment were purchased, less time would have to be spent on grass cutting and there could be workload shifts to areas of need or possible staffing reductions. A schedule could be put into effect showing when each entity would be able to use the equipment. There could also be a reduction in the amount of equipment that would need to be purchased and maintained.

**It is recommended that an agreement be formed between the two entities to create a joint purchase of grass cutting equipment, whether there is one crew responsible for the workload of both entities or there are two separate crews.**

**As a result of any additional cooperative effort, there will be monetary savings to the taxpayer, as well as work efficiencies. The Board of Education and the township of Montville should be commended for the cooperative efforts that are already in place, but this should not preempt these entities from continually looking for new opportunities to add to their cooperative efforts.**

**It is recommended that both entities avail themselves of the interlocal services technical assistance available through the Department of Community Affairs and that they investigate the Joint Service Incentive Grants now available through the DCA. In fiscal year 1997, there was \$500,000 available from the state for such grants.**

## **STATUTORY and REGULATORY REFORM**

It is common for local officials to blame tax increases on “State mandates.” Each local budget review team is charged with the responsibility of identifying regulatory or statutory mandates that have an adverse impact on the cost of local government. The findings summarized below will be reviewed by the appropriate State agency for the purpose of initiating constructive change at the State level.

### **Civil Service**

Civil Service regulations currently stipulate that local entities provide their employees 15 sick days per year and that these days annually carry forward until retirement. The State changed the rules for its own employees to limit the potential liability for sick time payouts at retirement. It required municipalities to set their own policy regarding terminal leave payments but did not change the annual allotment requirement. The Team believes that this policy warrants review.

As an alternative to the traditional provision of 15 sick leave days per year, the Department of Personnel may wish to consider allowing municipalities to implement a “sick bank” with a predetermined number of days contributed to each employee. Sick banks would allow for employees to have time at their disposal, yet they would not include a terminal leave payout at retirement. Sick days would not be carried forward, yet employees who experience serious illness would have considerable sick leave available to them and would, therefore, not experience loss of income. The sick bank could include maximums on usage, such as 150 days per year per employee, or a maximum time per illness as stipulated by current ordinance. The municipality has the ability to seek this change through the collective bargaining process with the police union, however, for other employees this provision would require changes to Civil Service regulations.

**We suggest that the State Department of Personnel review the impact that its leave requirements have on local governments and allow each local entity to determine a fair and appropriate leave benefit level for its employees, including the provision of a sick bank, if so desired.**

## **LOCAL GOVERNMENT BUDGET REVIEW**

Brian W. Clymer, State Treasurer

Louis C. Goetting, Assistant State Treasurer

Jane M. Kenny, Commissioner, Department of Community Affairs

Beth Gates, Director, Division of Local Government Services

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Local Government Budget Review

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**Appendix A**

**Montvile  
Debt Service Analysis**

	<b>Bonds of 1989 Annual Debt Service</b>	<b>Bonds of 1992 Annual Debt Service</b>	<b>Subtotal Current Obligations</b>	<b>Municipal Utilities Contribution for Expansion</b>	<b>Subtotal All Infrastructure Obligations</b>	<b>Debt Authorized But Not Issued includes 1996</b>	<b>Total Debt Service All Available Debt</b>	<b>Year to Year Change</b>
<b>1995</b>	\$559,460	\$551,726	\$1,111,186	\$250,000	\$1,361,186	\$0	\$1,361,186	\$0
<b>1996</b>	\$532,260	\$539,526	\$1,071,786	\$325,000	\$1,396,786	\$0	\$1,396,786	\$35,600
<b>1997</b>	\$553,360	\$527,326	\$1,080,686	\$335,000	\$1,415,686	\$0	\$1,415,686	\$18,900
<b>1998</b>	\$522,760	\$515,126	\$1,037,886	\$335,000	\$1,372,886	\$0	\$1,372,886	(\$42,800)
<b>1999</b>	\$492,160	\$502,926	\$995,086	\$335,000	\$1,330,086	\$0	\$1,330,086	(\$42,800)
<b>2000</b>	\$408,430	\$490,726	\$899,156	\$0	\$899,156	\$958,446	\$899,156	(\$430,930)
<b>2001</b>	\$0	\$672,426	\$672,426	\$0	\$672,426	\$943,446	\$1,615,872	\$716,716
<b>2002</b>	\$0	\$648,026	\$648,026	\$0	\$648,026	\$928,446	\$1,576,472	(\$39,400)
<b>2003</b>	\$0	\$623,626	\$623,626	\$0	\$623,626	\$1,213,446	\$1,837,072	\$260,600
<b>2004</b>	\$0	\$599,226	\$599,226	\$0	\$599,226	\$1,583,446	\$2,182,672	\$345,600
<b>2005</b>	\$0	\$574,826	\$574,826	\$0	\$574,826	\$1,533,446	\$2,108,272	(\$74,400)
<b>2006</b>	\$0	\$550,426	\$550,426	\$0	\$550,426	\$1,483,446	\$2,033,872	(\$74,400)
<b>2007</b>	\$0	\$526,026	\$526,026	\$0	\$526,026	\$1,433,446	\$1,959,472	(\$74,400)
<b>2008</b>	\$0	\$501,626	\$501,626	\$0	\$501,626	\$1,383,446	\$1,885,072	(\$74,400)
<b>2009</b>	\$0	\$477,226	\$477,226	\$0	\$477,226	\$1,333,446	\$1,810,672	(\$74,400)
<b>2010</b>	\$0	\$452,826	\$452,826	\$0	\$452,826	\$1,283,446	\$1,736,272	(\$74,400)
<b>2011</b>	\$0	\$404,189	\$404,189	\$0	\$404,189	\$1,233,446	\$1,637,635	(\$98,637)
<b>2012</b>	\$0	\$299,876	\$299,876	\$0	\$299,876	\$1,183,446	\$1,483,322	(\$154,313)
<b>2013</b>	\$0	\$0	\$0	\$0	\$0	\$1,133,446	\$1,133,446	(\$349,876)
<b>2014</b>	\$0	\$0	\$0	\$0	\$0	\$1,083,446	\$1,083,446	(\$50,000)
<b>2015</b>	\$0	\$0	\$0	\$0	\$0	\$702,385	\$702,385	(\$381,061)

## Appendix B

### Montville Police Department Organization Revised



